



ORGANIZER



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Hollywood Basic Agreement Negotiations Concluded Seven Months Early

We all know to get there early to get the best seats. Often, the first in gets the best assignment. And we've all heard that the early bird catches the worm.

Our new contract for the 30,000 IATSE members working in motion picture and television production is forged upon hard-won improvements and is, quite frankly, the envy of the industry. The new Hollywood Basic Agreement between the IATSE crafts and the Alliance of Motion Picture and Television Producers (AMPTP) is for three years beginning August 1, 2006.

If the industry keeps performing as it is now, it will be three very good years for IATSE members and their families.

The IATSE has secured improvements for both active members and retirees, wage increases to all the basic pay scales, health care benefits protections for all members and their families, increased employer contributions to the active members' IAP accounts, and increases in the employer contributions to the pension and health plans.

We owe the success of this agreement to the solidarity of the IATSE West Coast Studio Locals and to one of the many profound changes International President Thomas C. Short brought to the IATSE since assuming leadership in 1994: his firm determination to press for early negotiations with the Hollywood producers.

The early negotiations, a full seven months before the agreement's expiration, sent a clear signal that a stable work environment between producers and IA locals can increase IATSE job security and boost overall production within the industry.

Experts have remarked that locking up negotiations in advance of the expiration of a prevailing agreement acts as an insurance policy in the event of an industry work stoppage. True. But it's an insurance policy the Hollywood Producers *bought* from the IATSE by improving wages and benefits.

"Early negotiations allow producers to anticipate labor costs in advance of production without the threat of interruption," noted Matthew Loeb, Director of Motion Picture and Television Production, IATSE, based in New York. "In no small measure it is the wisest and most effective tool protecting working men and women in our industry."

So it was only after a long day of hard bargaining and very late on Friday evening, December 16, 2005

that the negotiating representatives from the IATSE West Coast Studio Locals voted overwhelming to recommend ratification to their membership of the new Hollywood Basic Agreement. Here are some of the reasons they so strongly endorsed the new Hollywood Basic Agreement:

- > The IATSE obtained increases in wage scales by seventy-five cents per hour in the first year of the Agreement, with an additional 3% per hour in each of the two subsequent years, with those percentage increases compounded.
- > The Producers' contributions to the Defined Benefit Pension Plan increased by 25 cents per hour
- > Trustees of the Pension Plan were given recommendations that will allow retirees to receive a 13th and 14th check during the full term of the Agreement provided the level of reserves remains at least 8 months. Additionally, provided the minimum level of reserves does not drop below 8 months by the first quarter of 2009, a 10% increase in pension contributions for active employees will also be made by the producers retroactive to August 1, 2006.
- > Employer contributions to the Individual Account Plan (IAP) increased from 5% to 5.5%, and further rising to 6% in the Agreement's final year. These percentage increases are in addition to the current contribution rate of 30.5 cents per hour into the IAP for each hour worked or guaranteed.
- > Producers' contributions to the Motion Picture Industry Health Plan increased an additional 25 cents per hour, allowing for the continuation of health care premiums to be paid 100% by the Employer.
- > Four new job classifications were recognized in the Agreement and include Foley Artists, Marine Department employees, Base Camp employees performing, installing, connecting and striking temporary and portable power sources, and Balloon Lighting Technicians.
- > Meal penalties for television work in studios or on stages were increased by \$1, and the Producers agreed to work with the IATSE toward resolving problems relating to rest periods, turnaround times and hotel accommodations. IATSE negotiators held firm in their mandate that employees must receive a meal break after six hours of work.
- > New technologies such as "mobisodes" which provide product for viewing on cellular telephones, will be discussed with Producers as the technology evolves.
- > The Long-Form Television side letter will be modified to include productions made for DVDs and/or videocassettes, subject to a cap of \$9 million.
- > And, the Producers agreed to improve the monitoring of incomes from supplemental markets to ensure greater accountability and compliance to protect IA pension and health plans.

Hollywood, like most of the nation, is beset by staggering costs for health care and prescription drugs, and a continued winnowing down of health and retirement benefits.

Making the industry less secure are other entertainment guilds, each of whom will soon be entering into

negotiations with Producers that experts predict will be contentious. (After all, our gains are the envy of the industry.) Given that, it would seem prudent for all IA members to guard family and personal finances in the event of a stoppage by the other film and television unions and guilds.

Though other unions may make the industry seem less secure, the many, many gains the IATSE has made under this new Hollywood Basic Agreement have been made rock-solid by President Short's dedication to concluding an early agreement and the broad solidarity of the IATSE craft locals.

CALIFORNIA FILM & TV PRODUCTION HITS RECORD LEVELS IN 2005

For the second consecutive year, film, television and commercial shoots in Southern California reached new highs. Fueled by a continued boom in reality TV, as well as a solid pipeline of new and existing television dramas, the number of production days in 2005 was up 23% in the past two years, according to Film L.A., Inc., a private, non-profit corporation set up in 1995 to streamline the film permit process in Southern California. Experts said that given the more than \$30 billion in revenue the industry pumps into the California economy, the explosive growth in production levels over the past year was a key indicator to the region's overall economic health.

"There are some who thought 2004's hectic TV pilot season would cool in 2005," noted Joe Aredas, International Representative-in-Charge of the IATSE West Coast Office. "But many people feel this will turn out to be one of the busiest local pilot seasons ever." Long-running TV hits shot in L.A., like "24", "Monk" and "The Shield", helped to boost overall production by 30% when combined with levels from 2004. Feature films were up as well. Movie production accounted for nearly one-fifth of the roughly fifty-five thousand days of overall production this past year, a gain of 9% over 2004. Given that the number of features had declined from 1997-2003, as cost-conscious studios tightened their output and chose to shoot films in cheaper locales, industry watchers said a sustained two-year run-up in production levels would likely mean a continued rise in 2006. Many cited the weakening dollar as a factor in helping to boost local production. Commercial production was the third leg of the stool that helped to prop up L.A.'s wobbling economy, clocking in with 6,983 production days this past year, up 4% from 2004.

"These unprecedented levels of growth were due in no small part to the strength of the workforce," Aredas added. "The thousands of dedicated union men and women working on film and TV productions in Southern California are rock-solid in both their commitment to the industry and the contracts they work under. Employers like that kind of stability."

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