

# TAG 2018 Agreement

## Frequently Asked Questions

### **Q: How much did we improve wage minimums in this negotiation?**

Wage minimums will increase by 3% in each year of the agreement. Provided the agreement ratifies by October 31, 2018, there is retroactive coverage for the increase for wage minimums for the first year of the agreement back to July 29, 2018.

### **Q: What about Health and Pension? Are there any changes?**

There are no increases to premiums, and no reductions in benefits. There are no changes to hours needed to qualify for or maintain benefits. Retirees that are eligible will continue to receive 13th and 14th checks, other Retirees will continue to receive the 2015 10% increase.

### **Q: How long will this agreement last?**

The term of this agreement is three (3) years, beginning on Aug 1, 2018 and continues through and including July 31, 2021.

### **Q: Explain New Media - what did we get?**

For programs made for Subscription Video On Demand services (SVOD), we achieved significant improvements in the rules that dictate what terms and conditions apply for animated projects made for streaming services, including:

- For half-hour productions (20-35 minutes), we decreased the threshold for what determines whether an animated project is considered “high budget” from \$1.3M avg. cost per episode down to \$550K. Previously, almost no animated projects in this category were qualifying as “high budget” productions, and as a result, terms and conditions were “freely negotiable” by producers and members. This meant that many of the important protections of the union agreement were subject to individual negotiation - things like wage minimums and dismissal pay. Going forward, with the new thresholds negotiated, we believe that 70% of future productions in this category will be considered “high budget” and will trigger mandatory terms and conditions, including payment of dismissal pay. We are the first union to achieve these animation-specific improvements in SVOD.
- Two eleven-minute productions, when combined together for exhibition, will also qualify as a “high budget” production, when their combined budget exceeds the \$550K threshold. Previously, no programs shorter than 20 minutes were required to be considered “high budget”.
- For feature length animated projects 96 minutes or more, when the production budget is \$45M or more, terms and conditions will be identical to those for projects made for a linear platform - no reductions, no differences, not “freely negotiable”.
- And finally, beginning January 1, 2019 we will have additional reporting from producers on all projects, which will assist the union office in administration and enforcement.

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### **Q: If I like some parts of the agreement but not others, can I vote on just those parts?**

The agreement is a package deal - all the parts are together and are not separable. Voting 'Yes' accepts the deal with all the increases to wage minimums, additional Health & Pension funding and New Media gains. Voting 'No' means rejection - the slate will be cleared, and the union and the producers would need to schedule new negotiation talks. There is no guarantee that a future deal will be better than or even the same as what has currently been negotiated.

### **Q: What else did we agree to?**

Generally speaking, we agreed to a new Apprentice Timer role, to allow interns to perform covered work under limited circumstances, with restrictions, and we agreed to renewal of the New Media sideletter, with the improvements mentioned earlier in this document. The union also agreed to discuss how vacation and holiday is paid (weekly vs. accrued) with producers that request a discussion, but did NOT agree to any changes. We also agreed to increased employer funding for Contract Services (CSATF), and we agreed to accept subscriber count numbers for streaming services similar to what other guilds have agreed to.

### **Q: What about interns doing production work?**

The Negotiations Committee discussed the producers' proposal on interns extensively. In order to achieve the gains we did on New Media, Health & Pension, wage minimums and other issues, we agreed to address this request from the producers, with the following important limitations:

- No bargaining unit employee will be displaced by this change;
- Interns must be enrolled in an college or graduate school educational program, or have graduated within less than six months from such a program;
- Internship programs can only last for a semester during the school year, and can only last for 12 weeks during the summer break;
- Finally, there is a sunset clause - meaning that it is up to the producers to request renewal of this in 2021. If there are abuses reported during the next three years, the 2021 TAG Negotiations Committee will refuse to renew this provision, and it will end.

### **Q: What did the producers want to accomplish in this negotiation?**

- Producers wanted to extend the probationary period from 90 to 120 days - lengthening the time period during which they can end your employment for any reason, without notice. We did NOT agree.
- Producers wanted to extend the period of time that disciplinary memos are active for to include any hiatus time. We did NOT agree.
- Producers wanted a unit rate for Animation Checking - we did NOT agree. All Animation Checking must be paid hourly, under a weekly guarantee or daily hire arrangement.

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**Q: What about Parental Leave? How will that work?**

We successfully negotiated a provision for unpaid, job-protected Parental Leave for members with Personal Service Contracts that guarantee 26 weeks of employment, or have a run of season or “all episodes” guarantee that is anticipated to produce an least 26 weeks of employment. Deals need to indicate weekly employment, not step deals or unit rate deliverables. For members that would not qualify for either the Federal Family and Medical Leave Act provided leave or the California Family Rights Act provided leave, this is an important new protection. This job protection (up to 8 weeks of leave to bond with a newborn child, newly adopted child or newly placed foster child) will be a benefit available to employees; they should request it within one year of the birth, adoption or placement of a child.

**Q: What about Storyboard Unit Rates and Pension & Health Hours?**

To clarify, what is unchanged is that producers may offer storyboard work in three different ways:

- Weekly hire - 40-hour weekly guarantee, wage minimums apply. Health and Pension contributions are based on the actual hours you work - you fill out timesheets.
- Daily hire - 4-hour guarantee, 117.719% of minimums at least, with holiday and vacation pay built in. Health and Pension contributions are based on the actual hours you work - you fill out timesheets.
- Unit rate - a flat rate for all the work, regardless of time, Health and Pension contributions are a flat number of hours, regardless of time, and the P&H hour amounts are based on the time length of the type of project (11-minute, half hour etc.)

Page rates are **not permitted** for union employers! If you would prefer to be hired as a weekly or daily hire employee, that is something you can negotiate with the employers - please push back and suggest what you prefer - don't just take what they offer when you are able to negotiate. Here are the new Unit Rate Pension and Health (P&H) hour contributions negotiated:

<b>Storyboard Unit Rate Work, P&amp;H Contribution Hours (new values effective 1st Sunday after notice of ratification)</b>		
<b>Length of Project</b>	<b>Previous P&amp;H hours</b>	<b>New P&amp;H hours</b>
Less than 4 min	60	63
4 to 7 min	60	63
Over 7 to 15 min	75	80
Half-Hour Subjects	140	148
One Hour or More	210	222

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**Q: What about the addition of Bibles to the agreement? What are the details?**

For Animation Writing, a “bible” or “series bible” is a common part of developing an episodic series - and there was no listing in the agreement. This was a problem - some of this work was not properly being covered, and there were enforcement issues that had to be dealt with case-by-case. In the union’s proposal, we used the following language to describe bibles:

A bible may contain the following characteristics and requirements;

1. Significantly greater details than a screenplay or script, and includes the context, framework, and central premises, themes and progression of the multipart series or serial.
2. It sets forth a detailed overall story development for the multi-part series for the first broadcast season of the serial or such lesser period as may be contracted by the writer and includes story lines for episodes.
3. The characters must be not only distinct and identifiable, but must be set forth with detailed descriptions and characterizations.

We successfully negotiated addition of bibles to the agreement, with the following minimums and associated Health & Pension (P&H) and IAP contribution amounts:

<b>Unit Rates, Bibles</b> <i>(effective first Sunday after notice of ratification)</i>			
<b>Deliverable</b>	<b>Minimum rate</b>	<b>P&amp;H Hours</b>	<b>IAP</b>
Pitch Bible	As negotiated	33	Based on rate, up to 4-7 minute Outline rate, max.
Mini-Bible	As negotiated	100	Based on rate, up to Outline rate for length of project that Bible is for.
Full Bible	As Negotiated	250	Based on rate, up to Screenplay rate for length of project that Bible is for.

Going forward, we believe that having listings for Bibles in the agreement will leave no question that these deliverables are covered work and that there are mandatory Health & Pension contributions.

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### **Q: Does this contract help support our Pension and Health Plan?**

Yes. We inherit the terms for Pension and Health from the IATSE Basic negotiations. Going forward, the rates employers will pay for Health contributions will increase, and there will be two different contribution rates. Employers that already pay significant residual contributions in addition to their hourly contributions will pay an additional \$0.20 per hour in the first year, an additional \$0.10 per hour in the second year, and an additional \$0.10 per hour in the third year. Over the 3 years of the agreement, this is projected to be worth \$62M in additional new funding for the Health Plan. For employers not paying significant residuals (currently including Netflix and Amazon), there are higher rates: they will pay an additional \$0.75 per hour in the first year, an additional \$0.75 per hour in the second year, and an additional \$0.75 per hour in the third year. Over the 3 years of the agreement, this is projected to be worth \$90M in additional new funding for the Health Plan. All together, \$153M in new additional funding will be paid by studios into the Health and Pension Plans.

### **Q: I'm not happy with the results, but I don't want to strike - what can I do?**

If you are not ready to take action, and do not have an actionable plan for how a different set of results will be achieved, what purpose is served by voting “No”? If that's where you are, please consider voting “Yes”, and think about finding positive ways to get involved, like the following:

- Support younger and new artists at your workplace by answering questions and letting them know that working unpaid overtime hurts everyone in the long term.
- Lead by example at your workplace - help less confident artists negotiate and interact with production management and supervisors.
- Offer to volunteer as a shop steward at your workplace.
- Join a union committee to help work on some of the difficult cultural issues we know exist in our union and in our industry.
- Run for elected office - become a member of the Executive Board and help lead the Animation Guild forward. September 2019 is coming up!

### **Q: What if I don't vote? Does that count as a yes or no vote?**

Not voting doesn't count - it is neither a “Yes” or a “No” vote and means your voice will not be heard on the ratification decision. Only cast votes will be counted - not voting means you are sitting this decision out, and letting others make it for you.

### **Q: I have a question that wasn't covered - where can I find out more?**

Please read the material on the Animation Guild website - [animationguild.org](http://animationguild.org) - and call the union office at 818-845-7500. You can also email the Business Representative, [jmacleod@animationguild.org](mailto:jmacleod@animationguild.org) or TAG President KC Johnson - [kc.johnson@tag839.org](mailto:kc.johnson@tag839.org).