

# Talks break off after two days in US commercial actors strike

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Contract negotiations between the advertising agencies and unions representing 135,000 striking commercial actors broke off July 21 after the second day of talks. The negotiations represented the first time the two sides had met face-to-face since the period immediately preceding the outbreak of the now 12-week-old strike.

According to reports, the Screen Actors Guild (SAG) and the American Television and Radio Artists (AFTRA) proposed to abandon their past contract position and substitute for it a proposal based on the interim agreements that they have been signing with companies that allow for commercials to be shot with union actors during the strike. Negotiators for the ad agencies rejected the proposal as insignificant and merely a maneuver to avoid an unfair labor practice charge.

Industry spokesmen made clear that the advertising agencies are only interested in a settlement on their terms. The ad agencies want to do away a pay-per-play formula for commercials distributed over network television that compensates actors not only for the initial shooting, but each time a commercial airs during a 13-week period. The industry proposes a one-time flat-rate compensation. The unions have sought to defend the pay-per-play formula while extending it to commercials for cable TV and the Internet, where actors receive a mere flat rate.

Ira Sheppard, chief negotiator for the advertising agencies, declared, "The only way to responsibly settle this is to come back to the table, join the industry as its partner, as they have in the past, join us in modernizing the contract, negotiate over guaranteed residuals for network and cable, capture solid increases for the rank and file, and capture future prosperity as the industry's partner. Any other approach is doomed to failure."

AFTRA chief negotiator Mathis Dunn voiced the growing fear on the union side when he remarked of the negotiations, "It's now obvious that the ad industry's main concern here is not the particular issues in this contract. It has been well documented that the industry is making record-breaking profits and can easily afford to negotiate with us for fair wages and working conditions. It seems their ultimate goal here is to gut our contract and bust our unions."

There is a degree of added pressure on the advertising industry to come to an agreement as the new fall line-up of programming is approaching and requires an accompaniment of new commercials. But certain voices in the advertising camp have pointed out that the strike has forced the industry to further globalize production, and may have the effect of accelerating this development.

Speaking to the *New York Times*, Marc Smerling, owner of Notorious Pictures in New York, said, "It's teaching the clients that there's a much cheaper way to do this. Now that the clients know about this, how do you get them to come back?"



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