US film and television writers will walk out Monday

David Walsh
3 November 2007

The decision by members of the Writers Guild of America to strike on Monday sets the stage for a major confrontation between writers and the giant media conglomerates.

Leaders of the Writers Guild of America, West (WGAW, with some 7,600 members) and the Writers Guild of America, East (WGAE, 3,800 members) announced Friday that film and television writers would walk off the job as of Monday morning. The decision to strike was supported without opposition by a mass meeting of 3,000 guild members held in Los Angeles November 1.

The employers and the writers remain at odds over several critical issues, including compensation to writers for DVD sales and content distributed over the Internet and other new media.

After three-and-a-half months of negotiations, the Alliance of Motion Picture and Television Producers (AMPTP) has refused to budge on either point. Writers are paid following a formula arrived at in 1985, at a time when home video was a relatively new phenomenon. In the name of helping the companies get the video business off the ground, the Writers Guild accepted a derisory rate—in effect, a concession—set at 0.3 percent of wholesale revenues on the first $5 million, then 0.36 percent after that. The standard WGA residual rate was four times higher. As one commentator noted, the AMPTP has "been laughing all the way to the bank ever since."

The union notes in its 2007contract proposals, "In the years since [1985], as the cost of manufacturing and distribution [of DVDs] declined to become a negligible factor, and the business model proved to be one of the most profitable of any of the segments of the entertainment business, the companies have fiercely resisted any change in this formula." In effect, the companies have made billions at the writers' expense. *Variety* noted in 2003, "For a moderately successful film selling 1 million DVDs and generating $15 million in wholesale revenues, the credited writers would split a payout of around $50,000—pretty tiny compared with the $10 million in profit the studio will see."

The WGA is also demanding that television and theatrical content earn a residual payment of 2.5 percent of the distributor's gross when it is used on the Internet, cellular technology and any other new media. According to the union, "The studios are refusing to pay anything for streaming that is free to the viewer (and ad-supported), and they are paying the 0.3 percent home video residual when the viewer pays."

Changes in the structure of the entertainment industry have also had an impact on writers. Patric Verrone, president of the WGA West, reports the *New York Times*, estimates that "perhaps 95 percent of Hollywood's work was done by guild writers in the 1980s. More recently, he has said, the figure dropped to about 55 percent, as various companies have used non-guild writers to work on animated, reality and other shows."

Moreover, "big studios like Warner Brothers or Sony Pictures Entertainment [have] ... relied increasingly on specialty or genre film units that were frugal in spending on scripts, or on films acquired from outside producers who might spend less on writers than a major."

The AMPTP replied to the announcement that the WGA intended to strike with its usual arrogance. AMPTP President Nick Counter issued a brief statement November 1, "By the WGA leadership's actions at the bargaining table, we are not surprised by tonight's recommendation. We are ready to meet and are prepared to close this contract this weekend."

At Thursday night's writers' meeting in Los Angeles, the largest in the union's history, according to *Variety*, the unanimous strike recommendation by the WGA's negotiating committee received "an enthusiastic response" from the standing-room-only crowd. The *Hollywood Reporter* noted that "Conversation with individual writers ... revealed an underlying anger over what they viewed as long-standing mistreatment at the hands of their studio employers."

An unnamed screenwriter told the *Reporter* that the prospect of a strike didn't faze him. "We don't mind waiting six months between paychecks. The studios take so long in paying us anyway that we're used to it. They are just disrespectful in every way, and there is a residual resentment."

David Young, the WGA's chief negotiator, told the crowd, "This is a watershed negotiation for the Writers Guild. This is not the average negotiation. This has the potential to determine writers' income from the Internet and new media for the next generation and beyond."

He remarked that the guild had already taken nearly half of its 26 proposals off the table, while the AMTP had not yet submitted an economic proposal. The producers' proposal that programming streamed video be considered "promotional," and thus not paid for at all, "provoked an especially hostile reaction." (*Variety*)

Screen Actors Guild president Alan Rosenberg also addressed the meeting, pledging the solidarity of his union's 120,000 members, although SAG has advised its members to cross picket lines if they are under contract.

© World Socialist Web Site

Teamsters Local 399 secretary-treasurer Leo Reed has urged members to honor WGA picket lines as individuals, alleging that the Teamsters contract forbids producers from punishing drivers who do so.

In response, ABC circulated a memo to Teamsters employees warning them that "If you make a decision not to cross a picket line by another union such as the WGA, know that you are refusing to perform your duties on a day that you have a call and that the Studio has the right to replace you because we have a right to try to operate while the WGA is on strike. As such, the studio will take all necessary action in order to ensure that we continue to operate."

Thomas Short, president of the International Alliance of Theatrical Stage Employees, whose union is locked in a jurisdictional dispute with the Writers Guild, in an open letter headed "IATSE President Short orders members to honor their contracts," urged his members to cross picket lines. The American Federation of Television and Radio Artists leadership also reminded members of the no-strike clauses in AFTRA contracts and "offered only the most tepid support to the WGA," according to the press. This is the state of the so-called "labor movement" in America.

There is no question that writers and other film artists are angry and determined to confront the media and entertainment giants. These firms and their executives have rolled up massive profits in recent years. In one of its contract briefings, the WGA notes that since 2000 media conglomerate revenue from entertainment segments has increased 51 percent, from $63 billion to $95 billion, while writer earnings and residuals have increased only 20 percent (most of that accruing to a small percentage of working writers).

On Thursday *Variety* carried an advertisement, "Pencils down means pencils down," signed by "showrunners" (the individuals responsible for the day-to-day operation of a television series, often the creators or co-creators) from virtually every major television drama and comedy series, pledging that, "In the event of a strike, we, the following showrunners, will do no writing and no story breaking—nor will any be asked of our writing staffs—until we get a deal."

Those signing included Robert Carlock and Tina Fey of *30 Rock*, David E. Kelley of *Boston Legal*, Carol Mendelsohn and Naren Shankar of *CSI: Crime Scene Investigation*, Pamela Veasey of *CSI: New York*, Krista Vernoff of *Grey's Anatomy*, Rene Balcer of *Law & Order*, Warren Leight of *Law & Order: Criminal Intent*, Neal Baer of *Law & Order: SVU*, Matt Weiner of *Mad Men*, Andy Breckman of *Monk*, Kari Lizer of *The New Adventures of Old Christine*, Greg Daniels of *The Office*, James L. Brooks, Matt Groening and Al Jean of *The Simpsons* and dozens of others.

Fifty East Coast writers handed out fliers in Manhattan's Rockefeller Plaza Friday morning to publicize their cause. Chris Albers, a writer for "Late Night with Conan O'Brien," told a *New York Times* reporter: "The majority of writers are barely making a living and the majority of writers' careers are very short-lived.... So we feel that if these companies are going to be making a lot of money off of what we create, and we only have a few years to be in the game, then it's fair to compensate us so that we can support our families."

To his credit, talk show host and comic David Letterman spoke out in defense of the writers Thursday night, calling the producers "cowards, cutthroats and weasels." His own show, along with other scripted talk shows, such as "The Tonight Show with Jay Leno" and "The Daily Show with Jon Stewart," are among those that will be first affected by the strike. The shows will be replaced by repeats. Letterman invited viewers to imagine what his program would be like without its team of writers. "It might be fun ... to tune in and see what I can come up with on my own."

The film and television studios, by their intransigence, seem determined to provoke a confrontation with the writers. CBS CEO Leslie Moonves told investors in a conference call Thursday that he was not worried by the prospect of a strike. "We are prepared with a full slate of firstrun programming now and at midseason," he said in a conference call about third quarter earnings, reported in *Variety*. "The bottom line is this: In the event of a strike, we anticipate no material impact on the company for the remainder of the season."

The film and television studios have undoubtedly been preparing for months for this conflict. The Los Angeles correspondent of the British *Independent*, Andrew Gumbel, after enumerating the official explanation offered by the AMPTP's Counter for the studios' refusal to make a serious offer, continues, "That argument, though, masks a deeper reality, which is that the studios and their corporate backers have very deep pockets and can probably weather a labour dispute for as long as it takes. In other words, they have decided to stare down the writers in the full expectation that the writers will blink first."

The WGA leadership, for its part, has already softened its demands. The union offered to maintain the present miserable DVD rate "in place for discs with less than $1 million in sales, but is still asking to double residuals for any disc with over $1 million in wholesale revenues." (*Variety*) The AMPTP wanted no part of the compromise, insisting that it will not negotiate until the union removes any demands involving higher payments for writers from the sale of DVDs.

The strike by the writers has considerable political significance. The operators of the film and television studios represent a powerful section of the American ruling elite. This tiny layer, engorged with cash, is determined not to give up a penny of its immense wealth.

As the WSWS noted in its statement posted last night,"Broader issues facing US film and television writers," the resistance of the AMPTP to the writers points to a deeper problem than its hijacking of profits from DVD sales and other financial iniquities: the irreconcilable conflict between the needs of a massive and complex society for entertainment and information of the highest quality and the private ownership of gigantic media conglomerates dedicated to the accumulation of profits.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site