

# After four weeks: studios and networks offer striking writers a “massive rollback”

David Walsh

1 December 2007

The new contract proposal made Thursday by the Alliance of Motion Picture and Television Producers to striking film and television writers is insulting and provocative. It makes clear that the giant studios and networks are intent on inflicting a major defeat on the writers, as part of an effort to cut costs and rationalize the industry.

The writers, who are in the fourth week of their strike, walked out demanding higher compensation for the distribution of their material over the Internet and other digital media.

The AMPTP has offered a pittance in response. For a year’s reuse of an hourlong television episode streamed over the Internet, the employers are offering a flat fee of approximately \$250. By contrast, when such an episode is rerun on network television, the writers currently receive \$20,000.

When they stream theatrical films on the Internet, the Alliance members propose to pay no residuals at all.

In regard to made-for-Internet material, the studios and networks are offering to pay writers fees of \$800 for a five-minute episode up to \$1,300 for a quarter-hour.

The AMPTP proposes to continue compensating writers for downloads from the Internet at the derisory rate set for DVDs (for example, two-thirds of a penny for an iTunes download). In any event, the companies continue to insist on their right to consider any reused material “promotional,” for which they will pay nothing.

All in all, after various leaked claims made to the media this week about a “breakthrough” and “a deal in place,” this is a slap in the face for the writers.

The proposals came on the fourth day of the restarted talks, broken off November 4 on the eve of the walkout. After receiving the proposal, the WGA negotiators requested that the negotiations be suspended until Tuesday so they could have time to examine the AMPTP offer.

At the same time, the press blackout, which has been in effect since Monday, was lifted. The Alliance was first to issue a statement, claiming that it had “unveiled a New Economic Partnership to the WGA, which includes

groundbreaking moves in several areas of new media, including streaming, content made for new media and programming delivered over digital broadcast channels. The entire value of the New Economic Partnership will deliver more than \$130 million in additional compensation above and beyond the more than \$1.3 billion writers already receive each year.”

Even if true, and there is no reason to believe any of the figures generated by Hollywood studio accounting methods, the \$130 million increase spread among 12,000 writers would be less than the combined salaries *alone* in 2006 of six leading media executives: Comcast’s CEO Brian Roberts, Disney’s Robert Iger, News Corp.’s Rupert Murdoch, Leslie Moonves of CBS, Time Warner’s Richard Parsons and Philippe Dauman of Viacom, according to *Forbes* magazine in May 2007 (a total of some \$140.5 million).

In response to the AMPTP statement, Patric Verrone and Michael Winship, presidents of the Writers Guild West and East, respectively, termed the employers’ offer “a massive rollback.”

The union leaders argued that their own proposals would cost the industry \$151 million over three years. “That’s a little over a 3 percent increase in writer earnings each year, while company revenues are projected to grow at a rate of 10 percent. We are falling behind.”

Verrone and Winship continue: “The AMPTP’s intractability is dispiriting news but it must also be motivating. Any movement on the part of these multinational conglomerates has been the result of the collective action of our membership, with the support of SAG, other unions, supportive politicians, and the general public. We must fight on, returning to the lines on Monday in force to make it clear that we will not back down, that we will not accept a bad deal, and that we are all in this together.”

In fact, the AMPTP proposals make clear that the employers are waging a war. These are massive companies with vast resources who intend to teach the writers a

decisive lesson, as a preliminary to imposing concessions and rollbacks on actors, directors, Teamsters and every other section of the workforce. The Screen Actors Guild and Directors Guild of America contracts expire next summer.

Contrary to Verrone and Winship, any notion that simply standing on a picket line for months in isolation, “toughing it out,” will secure the writers’ goals is an illusion. To win their entirely legitimate and, in fact, modest demands, the film and television writers must intensify and extend their strike. The 120,000 members of the Screen Actors Guild, along with other workers in the industry, must be called on to act.

SAG member Justine Bateman, in a “Call to Arms,” posted November 30 on the United Hollywood web site, argues, “I believe it’s appropriate at this time to call all actors into action in support of the Writer’s Guild on strike.” She writes later, “Ultimately, this is OUR strike.” However, she proposes merely that SAG members commit one hour a day to walking the picket lines.

In response to her statement, a veteran actor, with 25 years in the business, commented at United Hollywood:

“The moguls in Hollywood have turned their back on us and are only interested in using our talents to make as much money as possible, then kick us onto the street. NO MORE can we take this crap. You can only push people so far, and then they PUSH BACK. Corporate America has forgotten Henry Ford’s wise adage that the people who work for you should at least be able to BUY the product they are making. Now... with cable television topping \$100 a month, I can barely afford to watch my own work. I’m paying \$100 a month to see my rerun of *The Closer* or *West Wing*, and getting a joke of a residual payment for it. Sometimes a check for pennies. People in this industry, as well as every other industry in America, are SICK of corporate CEOs crapping on the backs of their workers, then taking home a \$150 million severance package as a thank you from their Board of Directors. ... “The themed pickets are fun—they really are. But enough. It’s time to take some serious strike action.”

A serious struggle would involve, first of all, shutting down film and television production on both coasts. Many writers and actors instinctively realize that this is necessary, that the current picket lines are merely “symbolic.”

Why are the WGA and the other union leaderships so reluctant to call for such action? Because it would pit them immediately against the entire political establishment, including the Democratic Party, so heavily financed by the Hollywood moguls. The John Edwardses and Jesse Jacksons would have nothing to with a strike that confronted the giants that dominate media and entertainment in America.

At issue is not merely more militant industrial tactics, as

necessary as those are, but the need to challenge the domination of the film and television by a handful of firms, who have life and death power over the careers and working lives of their employees.

Socialist conceptions have to develop once again among the writers and others in the industry. The battle over residuals for DVD sales and distribution of material over the Internet is a struggle between the elementary needs and concerns of those who actually produce artistic material and the predatory profit drive of transnational corporations.

And there is a connection between the ruthlessness of the companies and the bland, trivial work they encourage. Dealing with critical social and political questions—above all, the question of capitalism itself—remains taboo on large and small screens. This has to be overcome, for the sake of artistic truth and for the sake of the cultural development and self-knowledge of the population.

Corporate control of film and television threatens to strangle creative life in America. The ownership of film and television studios and other resources by sharks like Murdoch is a recipe for cultural death.

If writers reflect deeply on their own experience over the past four weeks, they ought to begin drawing some sharp conclusions about the situation.

Support has been widespread within the film and television industry and the population at large because the issues facing the writers are the issues, in the end, facing millions and millions in the working population. The writers need to turn toward that social force, the working class, and fight for a social offensive against the attacks on jobs, living standards and the conditions of intellectual life.

This means a resolute break with the Democratic Party politicians and union bureaucracies, who defend the profit system and everything that goes with it.



To contact the WWSWS and the  
Socialist Equality Party visit:

**[wwsws.org/contact](http://wwsws.org/contact)**