

WRITERS GUILD OF AMERICA, WEST, INC.

1998 WGA ANNUAL REPORT TO WRITERS



RICHARD RUTINSKIZ PHOTOGRAPHY

THE NEW WGA AWARD

A New Footing

As this report is issued, the WGA completes an eventful and unpredictable year, but one that sets the Guild on a new footing — a footing from which we can maximize the opportunities that lie ahead.

The year began with a contract negotiation that promised to conclude the Minimum Basic Agreement (MBA) with the studios, networks and other mainstream Hollywood producers, almost a year ahead of its expiration. But, it was not to be. The net result of the tight membership vote that saw the contract defeated by just 16 votes nationwide was a fracture between the WGA West and the WGA East.

As we came into office as your newly-elected leadership, we found our agenda significantly set by the events already in progress. Such large-scale questions as we faced, of necessity, have a calendar of their own, and many inchoate questions of organization and priority distilled into clarity, placing themselves front and center for us to address.

The *rapprochement* between the leadership of the two affiliated, but separate, institutions that represent America's film and television writers raised important questions of how that nationwide creative community ought to be represented. The months of renegotiating the relationship between the Guilds resulted in short-term resolution of how national contract votes will be conducted and set the agenda for the two institutions to examine, with a deliberate pace, the more far-reaching questions about effective and unified leadership for writers.

The process for contract votes established in the January agreement enfranchised writers

in the East more than ever before and ensured that all writers nationwide would have uniform ballot materials. The two Guilds picked up the contract negotiation and brought it to fruition with the membership ratification announced just as this report is issued.

With this chapter closed, the WGA now looks forward to an agenda of aggressive enforcement of Guild contracts, unprecedented service to writers, and addressing the long term questions about how writers should be represented to the increasingly concentrated group of employers who hire us.

And, so, we address these forward-looking questions with due regard for the decisions of the past, but without constraint. The formation of the Guild in 1933 and its reconfiguration in 1954 radically met the changing industrial situations of those times. As we peek over the edge of what appears to be a new era in the entertainment industry, we begin to see the requirements for the Guild in this new time. We are prepared to meet those needs with those actions that have proved highly successful in the past, but also with fresh and bold initiatives that will redefine the role of the Writers Guild in the new reality.

June 30, 1998



DANIEL PETRIE, JR.
President



JOHN WELLS
Vice President



MICHAEL MAHERN
Secretary-Treasurer

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The Marketplace for Film, Television and other Audio-Visual Writers

In 1997, WGA writers enjoyed, for the second year in a row, record employment and earnings. The margins were modest, however, and beneath the healthy totals there are shifting fortunes. The traditional television market for writers had a banner year, while the theatrical writing market began a modest retrenchment, reversing the tide of the previous year.

RECORD EMPLOYMENT

The 1996 all-time high employment level of 4,126 writers (updated from the figure reported in last year's report to include late-reported employment) increased by 4.3% with 4,306 writers employed in 1997. This continues the move, begun last year, away from the employment plateau of just less than 4,000 employed writers that had held for five years.

The 4,306 writers represent a recent high employment percentage with 52.1% of reporting members employed. This continues the modest but positive trend of the last few years among the membership.

NUMBER OF WGAw MEMBERS EMPLOYED

YEAR	TOTAL EMPLOYED	MEMBERS REPORTING	PERCENT EMPLOYED
1992	3,862	8,066	47.9%
1993	3,806	7,622	49.9%
1994	3,866	7,713	50.1%
1995	3,931	7,776	50.6%
1996	4,126	7,961	51.8%
1997	4,306	8,266	52.1%

Source: WGAw Records

Note that prior year figures are updated to include late-reported information.

Television employment took the lead, with a 6.7% increase in employment, to a total of 2,968 writers, driven by a record number of series in production. Especially strong this year were first-run syndication series, supported by foreign sales, along with made-for-cable series. Fall 1998 could bring contraction in this area.

In the theatrical film area, there was essentially level employment, with 1,782 writers employed. The trend is

NUMBER OF WRITERS EMPLOYED BY AREA OF WORK

YEAR	TV	SCREEN	PAY-TV	OTHER
1992	2,670	1,575	181	21
1993	2,596	1,601	176	21
1994	2,631	1,618	165	36
1995	2,645	1,683	168	79
1996	2,781	1,764	188	94
1997	2,968	1,782	188	43

Source: WGAw Records

Note: Prior year figures are updated to include late-reported information.

for fewer releases by the majors in an attempt to maximize profits during this period of relatively calm competition. Screen employment rises during a time when new distributors are emerging or when corporate mergers or administration changes drive reexamination of development slates, but 1997 was a quiet year.

RECORD EARNINGS

Writers earned \$674.6 million under WGA contracts in 1997. This is less than a 1% increase over 1996, but follows two years of double-digit growth prior to that. This pattern of uneven growth in writers earnings is quite typical of the past and is predictable, with more than two-thirds of writers income concentrated among less than ten companies.

TOTAL EARNINGS UNDER WGAw CONTRACTS

<i>(Millions of \$)</i>		
YEAR	TOTAL EARNINGS	PERCENT CHANGE
1992	450.1	—
1993	465.6	+3.4%
1994	499.2	+7.2%
1995	587.4	+17.7%
1996	670.0	+14.1%
1997	674.6	+0.7%

Source: WGAw Records
Note: Prior year figures are updated to include late-reported information.

SCREEN AND TELEVISION EARNINGS

Unlike last year, where feature film earnings muscled the entire earnings trend, in 1997 television earnings took the lead. The \$316.2 million earned

TELEVISION EARNINGS VS. SCREEN EARNINGS

<i>(Millions of \$)</i>			
YEAR	TELEVISION EARNINGS	SCREEN	OTHER
1992	241.2	201.8	7.1
1993	227.6	230.1	7.9
1994	241.2	250.9	7.1
1995	266.9	313.4	7.1
1996	299.5	360.7	9.8
1997	316.2	350.6	7.8

Source: WGAw Records
Note: Prior year figures are updated to include late-reported information.

by television writers (exclusive of certain non-writing fees) was 5.6% higher than 1996. The television marketplace was strengthened by the emergence of approximately two dozen first-run syndication series that were largely supported by foreign sales. These series often hire smaller staffs and more freelance writers, trimming the upside on the earnings increase, but providing some welcome strength in the freelance market. Screen earnings, in total, dipped 2.8% from last year, to a total in 1997 of \$350.6 million. This was largely driven by a tightening at both the middle and the top earnings levels.

AVERAGE EARNINGS

The median earnings figure among the working half of WGA members was \$80,760 in 1997, down 8.2% from the final figure for 1996. The negative shift in this statistic, which measures the income of the writer ranked exactly in the middle of earners, reflects primarily the influx of the TV writers working on the first-run series, many of whom will earn less than the median annual earnings from the one or two scripts they will

MEDIAN EARNINGS UNDER WGA CONTRACTS

MEDIAN YEAR	EARNINGS	PERCENT CHANGE
1992	\$57,908	—
1993	61,212	+5.7%
1994	62,700	+2.4%
1995	76,500	+22.4%
1996	87,960	+15.0%
1997	80,760	-8.2%

Source: WGA Records

Note: Prior year figures are updated to include late-reported information.

typically write. Note that residuals are tallied separately for the purpose of this report. The softening in feature writing is not a significant factor in this figure, because most writers in that marketplace will earn more than the median earnings, since the minimum for a typical feature script is almost at the median earnings level.

MEMBERSHIP STATISTICS

As of April 1998, the Guild has 7,883 Current/Active members, just slightly more than last year's 7,825. The Guild admitted 588 new members in calendar year 1997, down from the record number of 604 in 1996. Offsetting this, the

NUMBER OF GUILD MEMBERS BY MEMBERSHIP CATEGORY

	<i>"Active" Status</i>		
	ASSOCIATE	CURRENT	POST-CURRENT
1993	57	7,260	106
1994	107	7,432	146
1995	265	7,436	165
1996	314	7,637	186
1997	347	7,825	194
1998	350	7,883	213

Source: WGA Records, April each year

Guild shifted several hundred members to "in arrears" status during this report period in a dues collection effort, something the Guild undertakes periodically.

NUMBER OF NEW MEMBERS ADMITTED EACH YEAR

<i>All Membership Categories</i>	
YEAR	NUMBER
1992	410
1993	445
1994	501
1995	510
1996	604
1997	588

Source: WGA Records

Note: Prior year figures are updated to include late-reported information.

Residuals and Foreign Levies

RESIDUALS COLLECTIONS

The WGA collected \$152.9 million in residuals in calendar year 1997, a strong 20.3% increase over the \$127.1 million in 1996.

While television residuals held their own, residual compensation for feature film led the way, increasing 28.6% overall, and an impressive 37.1% for domestic and foreign free TV reuse. For television programs, collections for foreign reuse increased a substantial 30.5%. Growth in basic

cable reuse slowed, increasing just 13.6%, after a strong year in 1996. Videocassette and pay television reuse of free television programming grew 29.2%, though it is still a minor area of exploitation, at just \$3.1 million overall in 1997.

The growth in the number of residual checks continued, but slowed a bit, in 1997, with the total number of transactions logged rising just 6.8% to 216,364, from 202,653 the year earlier. The average residual payment

TOTAL RESIDUALS COLLECTED BY PROGRAM TYPE AND REUSE MARKET

	<i>(Millions of \$)</i>		
	1997	1996	PERCENT CHANGE
TELEVISION PROGRAMS			
Domestic Free TV Reuse	49.8	46.2	+7.8%
Foreign Free TV Reuse	19.7	15.1	+30.5%
Basic Cable Reuse	7.5	6.6	+13.6%
Videocassette/Pay TV	3.1	2.4	+29.2%
Royalty Plan Programs	0.7	0.3	+133.3%
Total Television Program Residuals	80.8	70.6	+14.4%
THEATRICAL FILMS			
Domestic & Foreign Free TV	19.6	14.3	+37.1%
Videocassette/Pay TV	48.3	38.5	+25.5%
Total Theatrical Film Residuals	67.9	52.8	+28.6%
OTHER RESIDUALS			
Total Residuals Collected	152.9	127.1	+20.3%

increased to \$707, a healthy increase of 12.8% from the \$627 average a year earlier.

FOREIGN LEVIES

Foreign levies were again a healthy area of collections for writers, although the gathering of data for the disbursement of funds is still frustrating and difficult.

These funds are received by the WGA on behalf of all applicable US writers. Foreign collection societies send the WGA the U.S. writers' share of taxes and levies imposed by foreign governments for the benefit of theatrical and television program authors. The primary source of these monies is "private copy" taxation for home video recording of broadcasts. These taxes are based on sales of blank video cassettes, since monitoring actual home

recording is both impractical and invasive, and are distributed to the authors of programs which were broadcast and, thus, potentially recorded. There is also a levy in Germany on rentals of prerecorded video cassettes.

While foreign levy agreements are spreading to more and more countries, the primary sources for these funds continue to be Germany and France.

The WGA disbursed approximately \$500,000 in foreign levy funds in the fiscal year ended March 1998. We have paid writers more than \$3.2 million since the inception of this program, and we are making progress in the receipt and recording of information to enable us to expedite payments in the future.

Credits, Creative Rights and the WGA Awards

A variety of credits and creative rights issues occupied the Guild agenda in the past year. The Guild's credit determination process continues to be an area of concern to the membership. The Guild is reviewing the current credits process again and will be bringing issues to the membership in the near future.

THE "VANITY CREDIT" CAMPAIGN

The WGA's anti-vanity credit campaign continued through the 1997-98 period, primarily in the area of monitoring vanity credit practices and preparing for meetings this Summer with the studio CEOs.

The vanity credit, giving the director of a film an extra credit in a form similar to "A ___ Film" or "A Film By __," has been the subject of a formal agreement between the studios and the Guild since 1995 and the target of informal objection for much longer. Under the agreement with the studios, the CEOs agreed to reduce the incidence of such credits over a four-year period. While the studios report progress in reducing their commitment to vanity credits for directors, the length of the production and distribution cycle for feature films means that on-screen vanity credits are only now beginning to decrease.

THE COMMITTEE ON THE PROFESSIONAL STATUS OF WRITERS

This committee, which will take up its continuing talks with the studio leadership on vanity credits later this Summer, also recently met with this group about its broader creative rights agenda. While its work is still in progress and not ripe for reporting, the committee continues to receive the input of some of the most knowledgeable and active writers in the Guild and to bring its agenda to the attention of the policy-setters at the studios. Creative participation is at the top of the list. Also under discussion are other subjects from the daily experience of feature writers, including late payments and so-called "free rewrites" — as creative issues. A television counterpart to the feature committee is also slated to pick up earlier discussion about television issues with the leadership of the television industry.

CREDITS RESTORED FOR BLACKLISTED WRITERS

The WGA took a leading role in the industry's observance on October 27, 1997 of the 50th anniversary of the House Un-American Activities Committee (HUAC) hearings that started the Blacklist. Working together with DGA, SAG and AFTRA, the WGA produced an event entitled "Hollywood Remembers the Blacklist." The

commemorations reminded those who lived through the Blacklist, and educated many who have only heard about the era, that such unthinkable treatment of creators actually occurred in the United States not so many years ago. Celebrities such as Billy Crystal, Kevin Spacey, Alfre Woodard and

John Lithgow reenacted actual testimony of those individuals who were subject to the horrors of the blacklist. A sold-out crowd attended the event. The evening program is currently being edited and will be available for viewing in the James R. Webb Memorial Library.

1998 WGA AWARD WINNERS

SCREEN

BEST SCREENPLAY WRITTEN DIRECTLY FOR THE SCREEN:
As Good As It Gets, **Screenplay by Mark Andrus and James L. Brooks**
Story by Mark Andrus

BEST SCREENPLAY BASED ON MATERIAL PREVIOUSLY PRODUCED OR PUBLISHED:

L.A. Confidential, **Screenplay by Brian Koppelman & Curtis Hanson**
Based on the novel by James Ellroy

TELEVISION

ORIGINAL LONG FORM

The Summer of Ben Tyler, **Written by Robert Inman**

ADAPTED LONG FORM

Bastard Out of Carolina,

Teleplay by Anne Meredith

Based on the book by Dorothy Allison

EPISODIC DRAMA

"Entrapment" (Law & Order),

Written by Rene Balcer & Richard Sweren

EPISODIC COMEDY

"The Fatigues" (Seinfeld),

Written by Gregg Kavet & Andy Robin

DAYTIME SERIALS

General Hospital, **Written by Meg Bennett, Richard Culliton, Karen Harris, Craig Heller, Janet Iacobuzio, Elizabeth Korte, Bill Levinson, Eleanor Mancusi, Patrick Mulcahey, Lynda Myles, Judith Pinsker, Mary Ryan, Courtney Simon, Michele Val Jean, Christopher Whitesell, Garin Wolf**

CHILDREN'S SCRIPT (TIE)

"The Song of the Zubble-Wump" (The Wubbulous World of Dr. Seuss),
Written by David Steven Cohen

"Elmo Saves Christmas" (Sesame Street),

Written by Christine Ferraro and Tony Geiss

DOCUMENTARY—CURRENT EVENTS

"Why Can't We Live Together?" (Dateline NBC),

Written by Craig Leake and Tom Brokaw

DOCUMENTARY—OTHER THAN CURRENT EVENTS

"The Secret White House Tapes" (Investigative Report)

Written by Carol L. Fleisher and William Doyle

NEWS—REGULARLY SCHEDULED,

BULLETIN OR BREAKING REPORT (TIE)

"The Conviction of Timothy McVeigh" (CBS Evening News With Dan Rather)

Written by Jerry Cipriano, Paul Fischer, Tom Phillips

"Diana, Princess of Wales" (CBS News Sunday Morning)

Written by Thomas A Harris, CBS

NEWS—ANALYSIS, FEATURE OR COMMENTARY

48 Hours, **Written by Greg Kandra**

ON-AIR PROMOTION

NBC Promotions, **Written by Gabrielle Becker**

RADIO

RADIO DOCUMENTARY

Jackie Robinson: His Life and Legacy, **Written by Thomas A. Sabella**

NEWS—REGULARLY SCHEDULED, BULLETIN OR BREAKING REPORT

World News This Week, **Written by Julia Kathan**

News—Analysis, Feature or Commentary

"A Time to Die" (Perspective), **Written by Mike Silverstein**

The observances noted the correction of several dozen feature film credits of the time to reflect the true authorship of the pictures. This work continues and the Guild staff and members who are investigating the restoration of credits expect to bring more credits to the Guild Board of Directors for correction in coming months.

The Guild noted with sadness the passing of Paul Jarrico, a blacklisted writer and one of the Guild's primary advocates and resources for the credits restoration effort. Jarrico died in a car accident just one day after the Guild's commemoration of the HUAC hearings. His spirit and resolve are missed, but serve to inspire our continuing efforts to recognize those whose lives were directly affected by this dark period of American history.

THE 50TH ANNUAL WGA AWARDS

The Guild recognized excellence in writing for the 50th time in February 1998 and marked the milestone with a ceremony oriented around measuring the sweep of time and the scope of

both continuity and change over the decades. Notable among the show's many highlights was the introduction of a new statuette awarded to the winners of Guild awards, pictured on the cover of this report.

The dramatic bronze statuette was selected after an exhaustive search and competition involving a dozen artists. The final design was created by Karen Mortillaro, an Orange Coast College art professor. The statuette is 14 inches high weighing seven pounds, and is cast in museum-quality bronze. Each statuette is numbered and signed by the artist and cast at Decker Studios in North Hollywood. The statuette, as yet unnamed, will join the lineup of other distinctive entertainment awards such as the Oscar, Emmy and Tony. Mortillaro's design was selected by the WGA's Award Statuette Committee, consisting of WGA member volunteers Alice Arlen, Allan Burns, Erica Byrne, Eric Edson, Jules Feiffer, Michael A. Hoey, John Markus, Devra Maza, Geoffrey C. Ward and Michael Winship.

Contract Negotiation & Enforcement

Perhaps no area dominated the Guild agenda in the past year as did negotiations. This is routine for negotiation years, which come every three years or so, but the focus was especially tight this year.

MBA NEGOTIATIONS

The Guild completed an initial round of negotiations on the 1998 Minimum Basic Agreement (MBA) in June 1997, almost a year early. After a heated ratification vote in September 1997, the agreement passed among WGA West members by a vote of 1,530 (57%) to ratify and 1,155 votes (43%) to reject. Among WGA East members, however, the vote went the other way, with just 99 votes to ratify (17%) and 490 votes to reject (83%). The vote in the East strongly in opposition to the vote in the West invoked a decades-old provision which specified the combination of the two vote totals to determine the result of the vote. With the vote counts combined, the totals were 1,629 (49.76%) to ratify and 1,645 (50.24%) to reject. Thus, overall, the contract failed.

The 16-vote margin led to an exchange of rancor between West and East over voting procedures and an almost immediate effort by the West for reconciliation. A variety of attempts at persuasion and provision

for vital interests led to a successful mediation in January 1998 by Justice Joseph R. Grodin, former California Supreme Court Justice and nationally known expert on labor law.

Daniel Petrie, Jr., President, WGAw, wrote that "Both unions had issues to address with the other and both unions came together to find a positive solution to assure a united and democratic voice for U.S. writers. We have achieved significant changes in our voting procedures - changes that have been discussed for decades and now accomplished." Herb Sargent, President of WGAE, wrote that, "The Council of the Guild has not only approved this agreement unanimously, but has done so with pride and genuine gratitude to those who labored to reach this very positive resolution. We are looking forward to going back to the bargaining table together and redirecting our energies toward the 1998 MBA and the future interests of all writers."

The primary aspects of the agreement were simultaneous votes on nationwide contracts (within 36 hours), common voting materials, voting only by members who are in good standing and have been employed by, or sold material to, an MBA signatory company, use of independent organizations

to count the ballots, separation of such votes from the annual election of members of the governing bodies, and a change in the Constitutional provisions to provide all members an equal vote. The guilds agreed to abide by the results of nationwide ratification votes conducted in accord with their constitutions and the new procedures in the January 10 Agreement. In addition, a nationwide referendum on the conduct of the 2001 MBA will be held no later than a year before the expiration of the 1998 MBA.

A 17-member committee was appointed to bring the negotiations for the 1998 MBA to conclusion and brought its recommended contract back to the elected leaders and the members in June 1998. The recommended contract was accepted by the nationwide membership by a vote of 2,474 (80%) to ratify and 615 (20%) to reject, bringing the turbulent period to a close.

The new contract calls for a Residuals Negotiation to begin almost immediately and initial talks are already being held as this report is being issued. This two-year negotiation will bring to the table the residuals issues of great concern to writers, especially the issues of compensation for reuse of writers' work on basic cable and in international television markets and issues

regarding residuals on made-for-pay-tv and made-for-video product.

This timing coincides well with the membership referendum on the conduct of the 2001 negotiations agreed to between the WGAw and the WGAE last January. Members will be able to take into account their satisfaction with the results of this negotiation in guiding the next regular negotiation.

CLAIMS AND ARBITRATIONS

In the 12 months ending April 1998, the WGA resolved 368 formal cases and collected \$7.8 million. This compares favorably to last year's results (if one exceptionally large award from last year is considered separately). The cases involve every studio and hundreds of small, independent production companies. The prosecution of cases under WGA contracts is provided to writers at no charge beyond regular dues.

CONTRACT ENFORCEMENT

Enhancing contract enforcement is a primary effort at the Guild. The past year has seen the addition of a staff position specifically for the most frequently cited offense — late payments. Any member who believes he or she is owed an overdue payment can contact the Late Payment Compliance Desk at 323.782.4780.

Contract enforcement in other areas occupies a primary position in the Guild's prospective agenda. In addition to the enhanced efforts of the staff, the Board has set enforcement as a major aspect of its agenda and as a major element in the formulation of the Guild's next strategic plan.

AGENCY RELATIONS & OUTREACH

In the course of the last year, the Guild continued its outreach to agencies with the publication of two additional Writer/Agent Alerts. One dealt with Canadian writer/employment issues; the other with delivery of the notice of tentative writing credits. The periodic meetings with agencies which the Guild has conducted in past years was interrupted for most of the year by the contract negotiation effort, but will resume in full force in coming months.

In a continuing effort to facilitate contact between potential employers and members, the Agency department will be developing a database on the Guild's Internet website to provide another venue for distribution of writer representation and contact information. Look for this early next year.

CBS NEWS AND PROMOTIONAL WRITERS

The Guild sponsored a well-received AVID Editing Training Program in 1997 for our CBS news writer members. This training, conducted by Video Symphony, the premiere AVID training company in Los Angeles, focused on the unique Newscutter software used in newsrooms and helped bridge the transition to the new technological environment of the electronic newsroom. Negotiations approach for our CBS writers, who work at KCBS News, KNX News Radio, and CBS On-Air Promotions, with the contract expiring in April 1999 and talks starting late this year. These negotiations for our growing CBS contingent in Los Angeles, are part of the national negotiations with CBS.

THE WGA SCRIPT REGISTRATION SERVICE

The WGA Script Registration Service completed a banner year, with the calendar year 1997 transactions totaling 35,707 a record number that is 5% over the prior year. In an enhancement of its services, the department expanded its hours to 9:30 p.m. to 5:30 p.m. The Internet presence of the service is nearing implementation now that we have overcome significant hurdles regarding security and electronic storage.

Health & Pension Benefits

THE HEALTH & PENSION FUNDS

More writers and dependents are currently covered by the WGA-Industry Health Plan than ever before. The total number of covered persons is now more than 12,000. At the same time, the Health Fund maintains record reserves, the benchmark for the stability of the fund.

The Pension Plan has also experienced a positive year, reaching \$1.2 billion in assets. The trustees of the Fund are considering increases in benefits.

Both the health fund and the pension fund are administered by a separate staff and by its own trustees, half of whom are appointed by the Guild. Members with questions about the funds may contact their offices directly or may call the Guild.

OTHER OPTIONS FOR HEALTH BENEFITS

The Guild also provides access to an alternative health benefits program called Writers Care for members who do not currently meet the requirements of the employer-sponsored plan. This HMO-based program is an affordable self-paid option and writers interested in more information should call the Guild.

The Guild also offers assistance to writers in need through our Good & Welfare Fund. This reserve of Guild resources meets several types of needs. Writers with questions about the types of requests that can be made should call the Guild. The Guild can also put writers in touch with several non-profit programs which offer a variety of benefits to members of the entertainment industry.

Any of these inquiries can be made by calling the Guild at 323.782.4568.

Protecting and Extending WGA Jurisdiction

ANIMATION

The last year has brought long-anticipated progress in WGA coverage of writing for animation. We negotiated special agreements covering one basic cable series, "Pocket Dragons," and two made-for-video programs based on the "Garfield" character. These agreements contained important provisions borrowed from the MBA, such as pension and health, a form of residual, credits, grievance and arbitration. More significantly, the WGA succeeded in covering a Fox Network prime time animated series, "PJs," for the first time ever. Our efforts to build on these successes continue.

INFORMATIONAL, INTERACTIVE AND NON-FICTION PROGRAMS

Drawing on our long-standing commitment to pursue coverage of the full range of writing done by WGA members and looking forward to redoubling our efforts, the Guild is considering a number of options for enhanced marketing of the alternate contracts we offer for Informational, Interactive and Non-Fiction writing. We continue to closely monitor the progress of technology in the interactive market, specifically the Internet, to determine when it will be appropriate to enforce the MBA rather than, or in addition to, the alternative

contracts. We regularly negotiate agreements covering low-budget non-fiction production, especially for basic cable, to promote the use of WGA writers.

In one significant event for non-fiction writers, the Guild participated in the September 1997 Jackson Hole Wildlife Film Festival. The biennial festival honored those who have excelled in the field of natural history and documentary filmmaking. WGA Member Alex Gregory, received two awards for Best Limited Series and the Award for Cinematography. The Guild hosted a seminar on the role of the writer in non-fiction television.

INDEPENDENT FILMS

The WGA broke new ground as this year ends by issuing its first low budget feature waiver. As part of its strategy for making this creative area more available for WGA writers, the Guild's Board of Directors renewed its openness to such waivers in its approval of this first agreement to modified terms of employment. Many projects can be effectively covered under existing Guild provisions, though some, such as this film with a budget less than \$500,000, warrant modified terms. Writers interested in such alternative terms should contact the Guild asking

about an independent film waiver at 323.782.4568.

The Guild also continued its alliance with the Independent Feature Project, West (IFP West), serving as the official theater of their Independent Spirit Awards and as the host of the bimonthly New Visions screening series for quality independent films seeking distribution.

EMPLOYMENT ACCESS PROGRAMS

The WGA worked with Disney again in the past year to administer the Walt Disney Studios Writers Fellowship Program. The nine new Fellows were welcomed at a reception hosted by the Writers Guild in October 1997. All five of the Television Fellows from 1996 are currently employed on series and many other past graduates have successfully made the transition into the television and feature film writing workforce.

In November 1997 and again in March 1998, the WGA hosted luncheon meetings to discuss new and collective strategies toward implementation of Affirmative Action programs and efforts in Hollywood. Special guests included representatives from the U.S. Department of Labor, the governmental entity responsible for enforcement of Affirmative Action

compliance. The meeting, held at WGA Headquarters, was an interguild dialogue, and was attended by representatives of the various Hollywood labor unions (DGA, SAG and AFTRA), as well as other interested groups such as the NAACP, the Media Image Coalition and the L.A. Commission on Human Relations.

In other activity, the Committee of Women Writers hosted an October 1997 agents panel as well as the Women in Film 25th Anniversary Celebration in April 1998. The Freelance Committee's Producer Access Program completed another round and four writers received assignments through the ABC Latino Freelance Writers Access Program. The first WGA/Media Access award was presented to Board member David Balkan. The Guild cosponsored a conference at USC in January 1998 entitled "Affirmative Action in the 21st Century: A Public/Private Partnership". Women, Black and Latino Writer Directories were updated and released. The Guild was represented at dialogues in connection with the President's Initiative on Race in February 1998 and the President's Committee for the Employment of People with Disabilities in New Orleans in May 1998.

Engaging the Public Agenda

LEGISLATIVE

The Guild has initiated an aggressive lobbying effort in Washington, D.C., Los Angeles and Sacramento. Our Washington program includes establishing the Writers Guild as an informed resource on industry trends and building a legislative agenda that will protect writers' economic and creative rights. As this report goes to press, we are working to amend the Copyright Term Extension Act to assure all writers receive residuals for pre-1960s work. Our efforts in support of this legislation included the testimony of Julius J. Epstein, the co-winner of the Academy Award for the screenplay *Casablanca*. We have also worked to establish rights in the U.S. treaty covering the Internet. Next on our agenda is addressing the inequities writers experience under various Internal Revenue codes.

Closer to home, the Guild took on the Los Angeles City Council following the passage of the Home Occupation Ordinance and the expansion of the city's Business License Ordinance to writers. Writers would have been required to have a permit to write in their homes and to pay a city business tax. With the support and action of thousands of writers, the Guild has largely succeeded in its legal and legislative effort to exempt writers from

the ordinance's requirements. The Guild has sponsored a bill in Sacramento, A.B. 2065, authored by Assemblyman Cardenas, which will establish statewide standards and prohibit both permit and tax requirements for writers and others. The Guild is spearheading a coalition of 22 entertainment and literary organizations that are supporting our efforts.

DOMESTIC & INTERNATIONAL ALLIANCES

The Guild continued its active agenda of interaction with allied organizations around the world in the past year, continuing to pursue the interests of American writers by representing those interests in international venues and by supporting the efforts of other organizations to represent the interests of their writer-constituents.

The newest engagement of the Guild came through increased activity with the Pan-American entertainment union federation PANARTES. The quadrennial congress of unions, representing all the trades and arts in the industry from North, Central and South America, brought together more than 100 delegates in Cuernavaca, Mexico. The four-day event

highlighted the similarities of the issues for industry workers in all the centers of film and television production in the region.

Our activity also continued with the world federation Media Entertainment International. Through this affiliation we have kept in touch with developments in Europe and elsewhere and sent delegates to select governmental and industry meetings.

The "City of Lights, City of Angels" film festival brought the French and American film communities together for the second year in a row this past March. The Franco-American Cultural Fund (FACF) is a collaborative effort between the Writers Guild, Directors Guild, Motion Picture Association and France's Society of Authors, Composers and Editors of Music. The FACF is funded by levies imposed on the sale of blank videotapes sold in France. In an effort to encourage and promote a dialogue between the filmmaking communities of France and the United States, the FACF sponsors a number of initiatives, including: master classes in France with American writers, directors and producers; an international scholarship exchange program for French and American film students; the sponsorships of international film

forums and the annual Los Angeles "City of Lights, City of Angels" French Film Festival.

Our primary international connection continues to be with our sister Guilds in the International Affiliation of Writers Guilds (IAWG). This affiliation includes the WGAE, the Writers Guild of Canada, the Australian Writers Guild, the New Zealand Writers' Guild, the French Canadian Société des Auteurs, Recherchistes, Documentalistes et Compositeurs (SARDeC), and the Writers Guild of Great Britain. The IAWG member Guilds work together to strengthen and standardize the conditions under which their members work through a coordinated agenda spanning intellectual property policy, foreign levy collection strategies, and contract negotiation and enforcement strategies.

WRITTEN BY

After last year's successful transformation, this year *Written By* became an award winner. *Written By* was recognized by the Western Publications Association at their 41st Annual Maggie Awards ceremony. Selected from among 1,700 entries, *Written By* was nominated in four categories, and named Most Improved Trade Publication (with circulation under 50,000)

and Best Special Interest Trade Publication. In addition, *Written By* took the trade publication grand prize for the evening, winning as Best Overall Trade Publication against competition with a wide range of resources and circulation levels. The event honors the best in magazine publishing in the Western United States, recognizing "editorial and design excellence."

In addition to the honors received from the WPA, *Written By* saw growth in circulation, with paid subscribers nearly doubling from 1996. And newsstand distribution grew, with more than 2,500 copies per month being sent to bookstores and newsstands nationwide and in Canada.

MEMBER COMMUNICATIONS

The Publications Department, the Public Affairs Department and other communications-related staff have collaborated with President Daniel Petrie, Jr. and Executive Director Brian Walton to create a new publication exclusively for Guild members called *Written By Member News*. This publication consolidates a number of Guild mailings, including the long-standing monthly Calendar of events. The publication is expected to grow in scope, in all likelihood expanding to include member letters – sparking

discussions about areas of concern to members. *Member News* promises to be a valuable means to inform members and continue the Guild's ongoing commitment to member service. This focus of member communication is part of a larger effort by the Guild to achieve the disparate goals of communicating more with the members and reducing the number of mailings the Guild sends.

THE GUILD WEBSITE

The Guild presence on the Internet at www.wga.org has completed a year of growth in both content and traffic. Visits to the website have tripled in the last year to approximately 20,000 per month, with total "hits" topping 500,000 per month. The range of content has expanded from news and descriptive information about the Guild and articles drawn from *Written By* to include information more directly related to the business of the Guild and original journalism. In the coming year the website will be moving into the core areas of Guild business. The website always has the latest news about the Guild, so check for updates periodically or when events warrant.

FILM FESTIVALS

The Public Affairs Department coordinates the Guild's participation at a number of film festivals. The Guild annually participates in major festivals such as Sundance, Los Angeles, Seattle, Austin, Telluride and Toronto. An aggressive and high-profile Guild presence at festivals has increased attention to the role of the writer in film and heightened awareness of individual writers in what previously has been a director-focused environment. The Guild's participation also serves as an effective means to remain visible within the community of independent filmmakers, fostering an informed body of potential WGA members.

THE WRITERS IMAGE CAMPAIGN COMMITTEE

The Writers Image Campaign Committee (WICC) was formed in 1996 with the goal of enhancing the image of the writer. WICC was pivotal in determining public image goals and priorities and allocating resources to that end. This group of members was involved in the hiring of an outside publicity firm, Clein + White Public Relations. Working with Clein + White has been extremely valuable to the Guild's efforts to emphasize the contribution of the writer to the filmmaking process. We have taken signif-

icant steps toward our goal of ensuring the full participation of writers in the studio publicity machine. A publicist outreach program has been established, setting up one-on-one meetings with studio publicity heads to bring the writer's contribution to the forefront. Also, Clein + White developed a publicity handbook for writers, "Writers & Publicity: Advice from an Expert," explaining the film publicity process from the ground up. This handbook is available through the Department of Public Affairs.

"SOMEBODY WROTE THAT" CAMPAIGN

The Public Affairs Department has been responsible for a variety of initiatives in the area of image and public awareness. The latest effort is the "Somebody Wrote That" campaign. The campaign so far has used ad space in national magazines (such as *Fade In*, *Scenario*, *Filmmaker* and *Scr(i)pt*) acquired through "trade-outs," thus the effort has cost members essentially nothing. Using humor, the series of ads describes visual movie scenes that the viewing public might not readily ascribe to writers. The "Somebody Wrote That" tag line will be integrated into a number of aspects of the Guild's publicity efforts, augmenting the ongoing use of the slogan "America's Storytellers." Such slogans are used extensively on Guild logo materi-

al such as caps, mugs, T-shirts and pens – further broadening exposure for our publicity and awareness efforts. Such items are not yet for sale, but rather are distributed to various individuals at film festivals, receptions, outreach gatherings and as tokens of appreciation.

WRITERS AND THE MEDIA

In its capacity as liaison to the Media Relations Committee, the Public Affairs Department coordinates five annual writer events: Summer and Winter Screenwriter Receptions; Television Critics Association Reception; Emmy Nominee Reception and WGA Award Nominee Reception. These events have proven very successful tools in our efforts to elevate the status of the screen and television writer and build relationships through one-on-one interaction with film critics and other members of the entertainment, national and international press.

"SCREENWRITERS: FIFTY FACES BEHIND THE GREATEST MOVIE MOMENTS"

The Guild was the major benefactor of a photographic portrait exhibit featuring screenwriters that began a world tour in the Fall of 1997. The exhibit is the creation of Helena Lumme, who devised the concept, and Mika Manninen, who photographed the screenwriters. Their goal is to spotlight screenwriters who they feel are "the true architects of cinema . . . often overlooked by the media and the public." The striking portraits are accompanied by a statement from each writer commenting upon the life of the Hollywood screenwriter. The exhibit was shown earlier this year in Helsinki, Finland and at the Cannes Film Festival, and will travel to Berlin and London. The US premiere was held at the Academy of Motion Pictures Arts and Sciences in December 1997.

Managing the Guild

A CLEAN BILL OF HEALTH

In response to a challenge to the Guild's September 1997 election for Board Members and Officers, the Guild Board of Directors commissioned an independent committee comprised of WGAw members to review the claim. The claim, filed by a group of Guild members with the Department of Labor (DOL), alleged that the 1997 election violated labor law and the Guild's constitution. The DOL referred the matter back to the Guild for resolution through internal procedures as the law requires. The committee's four and a half week investigation included 31 interviews with writers and members of the WGAw staff. The committee's report of 28 pages concludes with this statement: "The Committee unanimously finds that none of the allegations in the election protest is supported by the evidence and that the Guild provided, in all respects, adequate safeguards for a fair election."

The Board unanimously accepted the report at its January 5 Board meeting and, although a few Guild members sought further investigation, the DOL took no further action.

RELATIONS WITH THE WGA EAST

In 1954, five writers' unions, including the oldest predecessor of the WGA West, the Screen Writers Guild, came together to form one united representative organization for writers nationwide. In the process, they actually formed two corporations, with separate governance: one was in New York and the other was in Los Angeles. The structure suited the times, as the contracts under which writers worked were effectively regional – live television in New York, filmed television and feature films in Los Angeles, radio split between the coasts. Routine transcontinental travel was still by train and regional negotiations and strikes would be hampered by truly national decision making.

By 1981, the Guild contracts were national and film and television writing had spanned the 3,000 mile gulf. The Guild governance, however, was still bifurcated. With no national board to govern a restructuring of policy setting, the two-guild form remained. Attempts at a merger were unsuccessful and the issue remained largely outside the awareness of the membership.

Until the contract rejection this year, that is. In the wake of the rejection, the dual-leadership structure and

arcane voting rules came front and center as the underlying causes for the fracture. The WGA West leadership generally advocated a union of the two leadership groups to represent what is, in reality, one body of writers. The leadership of WGA East rejected the idea of a merger, preferring to maintain autonomy. Ironically, it had been the screenwriters in the West who had advocated the two-guild structure in 1954, over the objection of the New York leaders.

In the heat of the contract negotiation, the bigger questions about the merger of the two institutions into one representative organization were deferred in favor of narrower agreement on the conduct of national votes. The vital interest at hand was the conclusion of the 1998 MBA. With that agreement concluded, the attention will now turn, in due course, to the more far-reaching questions of the most effective structure for representing writers with strength, clarity and equal representation, providing the same level of services to writers in Los Angeles, New York, and to those distributed throughout the rest of the country,

THE GUILD HEADQUARTERS

The Guild headquarters continues to be an active asset in the conduct of the collective affairs of writers. One recent addition is a video conferencing system that connects with the office of WGA East to allow easier communication for joint committees and between the Board of WGAw and the Council of WGAE.

Also added this year is a Member Coffeehouse on the second floor. This comfortable, roomy space is provided for members' use during business hours (9:30 a.m. to 5:30 p.m.) for meeting friends or business associates or for reading or writing in between meetings. This space was authorized by the Board of Directors for a trial period, after which they will review its use and possible permanent establishment.

The Property Planning Committee has undertaken the immense task of creating visual art for the WGA Headquarters building that will incorporate text, photography and memorabilia to tell the history of the Writers Guild of America, West and of writers in Hollywood. A researcher has been gathering materials by researching various archives including the Motion Picture Academy, the studios and private collectors as well as the private collections of Guild members.

MEMBER SERVICE

Member Service in many forms was part of the agenda of the Guild this year. Most notable was the creation of a new Member Services Department. Longtime Guild lawyers Countess Williams and Mark Mitchell staff this new department to reach out to screenwriters and television writers, respectively, to ensure that all writers have easy access to the Guild's services.

WGA THEATER & FILM SOCIETY

The expansion of the lobby at the Guild's theater on Doheny Drive in Beverly Hills has dramatically upgraded our capacity to host receptions and larger gatherings. A catering pantry, green room and an additional restroom complete the additions and provide for full-service facilities in a space that is inviting and unique. The subsequent attraction of several long-term clients, along with the Guild's own use, have already justified this investment by the Guild.