

# 27 exit AFTRA

Unhappy performers pull away from union

by Rich Woltjer

Against a backdrop of a slumping Northwest production industry, more than two dozen of Seattle's top performers have bolted in the past three months to a non-voting status in one of Seattle's major acting unions.

After what they describe as a bruising, frustrating six months of negotiation with local and national AFTRA executives to ease restrictions on the use of union talent by production companies, these 27 turned in their membership cards, becoming financial core "non-members." The recent exodus gives Seattle the ignominious distinction of having the highest percentage of financial core talent of any AFTRA local, according to insiders. That doesn't play well to staunch union supporters who see financial core populations as diminishing their ability to organize and undermining hard-won market wages and working conditions.

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## **Financial core offers benefits to talent, agents**

**What is financial core ?**

*A Supreme Court decision created a financial-core status within all unions as a remedy for members who disagreed with unions' political activities.* This class of dues-paying "non-members" could enjoy many fruits of union membership- including collective bargaining while paying for only the "financial core" activities, not political ones. While many of AFTRA's financial core performers consider themselves union members, paying 97% of normal dues, the union considers them non-members. Financial core "members" can't attend union meetings or vote in union elections.

*But politics is not the reason local talent has pulled away from the union. That's because of another financial core attribute: adoptions can take on both union and non union work.* This is a major advantage to talent in a shriveling union-work market place. Performers aren't the only ones to see benefit in financial core. Union-franchised agencies are prohibited from charging more than 10% commission for union talent. That is paid by the client. With non-union work, agents may charge whatever the market will bear. John Sandifer, Seattle AFTRA's executive director, says some Seattle agents are taking advantage of the situation by "double-dipping," charging fees to both producer and talent, raising their take to as much as 40%.

Meanwhile, two of Seattle's top agencies -previously represented only union members— now represent financial core clients as well. The Actors Group and Carol James Talent Agency reversed longstanding policies after the recent defections, letting talent make the financial core transition while maintaining agency representation. It's not clear what pricing either agency will employ for financial core work. Neither agreed to an interview.

Fear seems to be the hallmark of this story. Several financial-core actors expressed concerns about possible union reprisals against themselves or their agents. Some top-earning performers refused interviews or insisted on anonymity. Sandifer, calls the financial-core adopters AFTRA's free-lance "earners." He says 110 of AFTRA's 1,000 local members - 11% of its membership —are financial core. AFTRA represents both staff broadcast talent - at local TV and radio stations—and free-lance talent working in commercials, corporate, interactive and long-form entertainment production. There's an anomaly here. The 250 broadcast staff members account for a whopping 80% of local union dues. The 750 freelancers contribute a mere 20% because such a small minority of the latter make a "full-time living" from their craft. The balance work outside the industry to supplement meager acting wages.

All financial core members-inter-viewed for this story suggested they' made the change with heavy-hearts. Some had worked with the AFTRA local free-lance or several years, trying to initiate change. ***Most spent about six months trying to diminish what they consider the coercive nature of AFTRA codes in the interactive and non-broadcast industries.***

### **Why financial core?**

Seattle is experiencing a severe production drought. Union commercial work has slowed to a near standstill; the most prolific high-end, commercial production companies in the last decade either no longer exist or work mostly out-of-market. Ad agencies have lost much production to out-of-market corporate headquarters. That leaves non-broadcast corporate work, which is showing modest increases; and the very new, digital-media market place . Historically, non-broadcast firms do much of their work non-union; they can't afford union talent. When they do shoot union, most of these production companies hire signator paymasters - independent payroll services wed to act as production company stand-ins when the production company hasn't signed a union agreement. That provides some union work, plus the opportunity for the companies to see what they're missing when they can't hire union talent.

But for interactive productions AFTRA recently eliminated the use of paymasters in an attempt to organize that market. The effort hasn't succeeded; few of the major new-media producers have become union signators. So frustrated actors watch union work dwindle while a whole new industry goes non-union.

Local talent believes non-union work is increasing across the board. Sandier disagrees:

"These actors believe they're in an employment crisis. Unfortunately, we can track union work, (but) we can't track non-union work. It's my opinion that there's always been an abundance of non-union work in the market." Estimates vary wildly, but one suggests 80% of the work in Seattle is non-union. Stephen Salamunovich of Complete Casting says, "The work in general in this town has been declining. " Salamunovich bemoans the move to core, referring to union negotiations as "the civilized way to do business."

According to Dan Pepper, Rocket Pictures' senior partner, approximately 20 percent of his work involves union talent. Pepper believes union talent gives stronger performances, but its too expensive for many clients: At least 30% more should be using union talent. What I do find is that, for my clients, they've had to make choices, based upon costs, not to use union talent." The performers interviewed for this story say the major players in the growing interactive market avoid union contracts. One performer said Microsoft once accounted for about 280 jobs a year at that actor's agency. After AFTRA changed its interactive paymaster policy, that dropped to 40.

Year-old Microsoft Studios does about 150 productions a month, 5% of which could hire professional talent, according to manager Deena McCloskey (95% of her work consists of internal, lowbudget productions for Microsoft clients But since MS isn't a union signator, it can't hire union talent McCloskey says she has no idea how. much production Occurs at Microsoft outside Microsoft Studios but she does know the work is increasing. MS and its co-organization, Microsoft Engineering, employ 44 people.

## **Disgruntled talent fought for change**

### **Not without a fight**

Some of AFTRA's recent financial I core members have been union members for decades. Lauren Tewes, of *Love Boat* fame, has been with AFTRA' 23 years, most of those in LA. She worked hard, she says, for the last six months in Seattle to get the local and national union to change contract conditions before going financial core (with AFTRA, not SAG, her other union). *After months of meetings and another turndown by the national board, Tewes says she called the New York and L.A. AFTRA membership departments, asking them to talk her out of going core. After listening to her reasons, "they said I should go core," says Tewes. She did.*

Tewes and other talent met with AFTRA union officials last fall. More than 100 performers signed a petition asking AFTRA to make changes including: adding unlimited one-production- contracts, allowing a non-signator producer to do a one-dine union production; offering a way for non-broadcast end interactive companies to hire union performers on contract while hiring non-union performers for the same production; and letting interactive producers use paymasters but skill do other non-union work. These requests were later changed to a waiver request and turned down by AFTRA national, which-according to talent —feared the changes would undercut its organization of industry segments.

Many performers insist current policies haven't proven successful for AFTRA. They I say opening the I door to nonbroadcast and interactive producers would only encourage the use of union talent. Some actors say nearly all professional, trained talent once belonged to AFTRA or SAG. After years of Seattle market decline, these actors say quality talent isn't the union's exclusive preserve anymore. They maintain that non-union talent has improved and now competes on a par with many union members, and that *union hiring must be encouraged through incentives, rather than by waving a coercive union stick at producers.*

## **Ball is now in AFTRA's court**

AFTRA's Sandifer indicates the internal union fight isn't over, referring to one of a series of national conference calls dealing with the issue. "This is a large union. It involves procedures, bureaucracy, ademocratic union. The process needs to be known and followed. To take the waiver process to the national board level involves time; and that can become very, very frustrating." Sandifer says the union is looking at the concerns of the unhappy performers. Sandifer admits the union may have underestimated the level of the crisis and not acted soon enough.

But the rebel actors, he says, "failed in their level of participation with the union. By and large, they've not been involved in union governance." He's right, with one major exception: Ken Boynton, who actively worked for change, was a longstanding AFTRA board member. Boynton went core with the other 26 talent members. Tewes suggests that freelance talent lacks the wherewithal to work through months of tedious bureaucratic processes. She acknowledges that Sandifer "fights the battle"

of getting living wages for talent. But Tewes says that's what he's paid for as a full time AFTRA employee. "I don't have the time to put in 12 months of my life.

**...they (clients) don't want to deal with the complexities of working with the union.  
Lauren Tewes**

The battle has left both the union and talent scarred. Talent interviewed for this story hinted at a new wariness in dealing with union brass. "Perhaps we were naive to not understand the level of agendizing," says Krisha Fairchild, a prominent Seattle voice talent. "Unions are political. All politics involves having agendas, and more agendas than they're willing to put on the table. Trust has been damaged; trust in the union as an entity with my best interest at heart." Fairchild believes the marriage of two national acting unions, AFTRA and SAG, may have impacted AFTRA's negotiating. Sandifer acknowledged many of the concerns of the exiting talent pool, but added: ***"We are hurt and angered by their modus operandi. Our disagreement isn't with their goals, but with how they went about achieving them."***

### **The results**

McClosky, with Microsoft Studios, said of the talent defections, "It gives us real flexibility to hire the people we would not have been able to hire before." She says that, while Microsoft is considered a very wealthy company, Microsoft Studios' production budgets are "very, very tight. Talent buyouts are hard when Microsoft media is going to be used in many ways."

On the other hand, the financial core members interviewed indicated an unwillingness to "undercut" their union brethren. Tewes notes that clients have to pay her fee. "My preference is that they hire me union. It's not that they don't want to pay the extra \$20 for pension and welfare. It's that they don't want to deal with the complexities of working with the union." Tewes said she, had just received her first nonunion casting call and that, while she hoped going financial core would increase her income, she really did it to make a statement.

But since union work requires producers to pay pension and welfare, FICA, residuals, and half the talent's federal income taxes for the job, the probability exists that some financial core performers will undercut their union colleagues. Financial core performers are also concerned about whether current union clients will de mend non-union rates or conditions once they find out members of the group are no longer walking in union lockstep. Some performers refused interviews for that reason alone.

On the other hand, Sandifer hopes the union can bring disgruntled talent back into the fold after national makes some in-the-pipeline changes. While Seattle made a big national splash as talent left the security of union membership, pressure has built in Dallas, Houston, Philadelphia and Minneapolis as union members in those cities demand similar revisions. In the San Francisco local, while only 38 of its 12,000 members are financial core, 20 of those signed on last year. That's turned heads. So the cards are on the table; the growing number of displeased performers have had their say. What remains to be seen is how AFTRA responds. And that could have sweeping ramifications for the future of the industry, both in Seattle and across the nation.

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