

2022 Commercials Contract Summary of Changes



VARIABLE	IN THE PAST	2022 CONTRACT	INSIGHTS
Compensation Structure	<ul style="list-style-type: none"> 2016: 7% increase (with additional increases to cable and Class A) 2019: 6% increase 	<ul style="list-style-type: none"> Wages and use fees increase 4.88% on April 1, 2022 + 4.88% on June 1, 2022; under Traditional Contract in 2022 Shift to new model provides flat rate for usage across all media types 	<ul style="list-style-type: none"> Reduction of fees for Class A and traditional linear New Streaming category with increased fees compared to former digital media type categories
Contract Complexity	<ul style="list-style-type: none"> Confusing and complex contract; hard to budget with accuracy 	<ul style="list-style-type: none"> New contract is simpler to navigate Consolidated media types with flat fees Standardized cycle options 	<ul style="list-style-type: none"> Flat fees and per-cycle rates for any array of media types provides for further clarity and standardization
Class A	<ul style="list-style-type: none"> Declining scale; no Class A cap 	<ul style="list-style-type: none"> Class A capped at \$20k in any 13-week cycle Class A 1st use is equal to the session fee, uses 2+ will follow a 5% reduction in Class A rates from 2019 	<ul style="list-style-type: none"> Decrease in fees
Media Types	<ul style="list-style-type: none"> Paid separately for Internet and New Media; differences between them were vague 	<ul style="list-style-type: none"> Consolidated Internet and New Media Introduced media types: Streaming Platforms; Gaming Platforms/Virtual Worlds/Augmented Reality/Emerging Platforms 	<ul style="list-style-type: none"> Advertisers will only need to pay once for Internet and New Media Streaming accounts for future proofing the contract while maintaining low-cost categories of digital use
MPU	<ul style="list-style-type: none"> 21 months 	<ul style="list-style-type: none"> 21 months Commences with first use or 13 weeks after the first fixed cycle 	<ul style="list-style-type: none"> Maximizes value of use payments
Editing	<ul style="list-style-type: none"> Complex with too many restrictions No addressable edits Editing rules “wreak havoc on budgets” 	<ul style="list-style-type: none"> Eliminated Section 26 Unlimited shorter/longer versions Extended permitted edits Includes Social Media and YouTube 	<ul style="list-style-type: none"> New structure helps align with trends in hyper-personalized advertising across multiple platforms; addressable edits are more economical More flexibility and affordable editing
Pension & Health Plans	<ul style="list-style-type: none"> Contributions increased 19% for signatories 0.5% discount for JPC authorizers 	<ul style="list-style-type: none"> Contributions to P&H Plans increased from 19% to 20.5% for all signatories 1.25% discount for JPC authorizers (3 years). 	N/A