



THE JOINT POLICY
COMMITTEE, LLC

BULLETIN

To: All Signatories to the 2022 SAG-AFTRA Commercials Contracts

From: Stacy Marcus, Chief Negotiator for The Joint Policy Committee, LLC

Date: June 8, 2023

Re: Dispute with SAG-AFTRA Regarding 1-Year Cycle of Traditional Digital

Background:

- Producer engaged performers under the Linear + Digital side of the new 2022 Contract. Box for Traditional Digital only is not checked on the performer's standard employment contract.
- Producer stated that intended use includes linear or streaming uses, such as Streaming, Wild Spot, and/or Cable, and Traditional Digital.
- Media plan changed from original intent, and the actual buy consisted only of a 1-year cycle of Traditional Digital use. Holding fees are applied to the 1-year Traditional Digital use cycle.
- After the 1-year cycle of Traditional Digital use, the spot was released.

Dispute: **SAG-AFTRA is attempting to take the position that since there was no actual linear or streaming use, after the spot was released Producer must now pay holding fees that would have otherwise been due and not applied under the Digital Only side of the Contract.**

JPC Position:

- The 2022 MOA is clear and unambiguous. Holding fees can be applied to all media types, including Traditional Digital, when a commercial is produced under the Linear + Digital side of the Contract.
- Under the Traditional Contract, when producing "broadcast" commercials, signatories were permitted to pay based on actual use without contractual liability if the actual use differed from intended use. For example, signatories could produce a broadcast commercial, pay the Internet use, and never run the commercial beyond that.
- This premise did not change in 2022. What changed in 2022 is that holding fees are now applied to all media types and the rates for Traditional Digital are the same for Made Fors as they are for Move Overs.

Next Steps:

- The JPC continues to dispute the Union's improper interpretation of the MOA, and is evaluating all options, including arbitration to enforce the terms of the MOA.
- **Notify the JPC in the event of any claims or inconsistent advice received from SAG-AFTRA under the relevant terms of the MOA.**
- The JPC will not allow the Union to use the claims process to modify the terms of the collectively bargained agreement, nor will the JPC allow the Union to permit its representatives to state as fact their interpretation of a provision of the CBA that is under active dispute.
- We will bulletin the industry when there is an update.