



American Federation of Television and Radio Artists

Branch Of The Associated Actors And Artistes Of America
AFL-CIO

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FOR IMMEDIATE RELEASE

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AFTRA NATIONAL BOARD MEETS IN PLENARY

Ratifies Net Code Agreement that Includes Significant Gains in Health & Retirement Contributions

Los Angeles, CA, November 21, 2004 -- The AFTRA National Board, in plenary session yesterday, overwhelmingly approved (75-1) the recently negotiated Network Television Code ("Net Code"), which will now be mailed to the membership for ratification. If ratified, the new three-year network pact will expire November 15, 2007.

AFTRA achieved its primary goal in negotiations by winning the largest increase in employer contributions into the AFTRA Health and Retirement Funds ("H&R Funds") since the inception of the H&R Funds fifty years ago. The negotiated increase, amounting to \$18 million in new contributions on \$300 million in earnings, easily meets or exceeds the standards set by other recently negotiated industry deals. In addition, the parties agreed to dedicate an existing 1% contribution amount (previously paid into a separate defined-contribution individual savings plan) into the H&R Funds, resulting in an additional \$9 million in contributions over the life of the 3-year contract. As a whole, new contributions flowing into the H&R Funds during the contract term will increase by at least 25%.

AFTRA National President John Connolly said, "We did an enormous amount of work reaching out to AFTRA members via meetings with casts and constituency groups to identify their concerns and needs as we prepared our negotiating package. We put those concerns on the table, and naturally the employers resisted. However, when our working members showed up at negotiations *en masse* to express support for the union's proposals, the employers listened. It's a deceptively simple method really: our union provides a mechanism for working artists to speak directly to their employers with a united voice. When the employers understand how serious their workers are about our issues, they are forced to listen and act accordingly. We have plenty of imperfections, but for working performers, our unions, and this process, are the only -- and best -- game in town."

Other highlights of the deal include:

- Program fee increases of 3%, 2.5% and 3% annually.
- Increases in coverage of Stunt Coordinators and Choreographers.
- Background actor and stand-in rate increases.
- A new procedure to afford additional notice and protections to serial performers in circumstances where producers seek to negotiate new terms at the expiration of the actor's contract cycle.

"The priority of this negotiation was to ensure that AFTRA employers paid a significantly larger share of spiraling health care costs," said AFTRA National Executive Director Greg Hessinger. "While the crisis is not over, we accomplished that goal. We commend the Networks and the AMPTP for approaching this negotiation with a focus and commitment to addressing serious problems in a way that meets the real needs of both parties."

In addition to the Net Code presentation, the Board heard a comprehensive report on the AFTRA Health and Retirement Funds, which included information about upcoming changes in future pension calculations and the recent conviction of a former fund employee for embezzlement. "Because the Union and the Health and Retirement Funds are separate entities, it is not appropriate for us to comment on the specifics of this particular situation. AFTRA is appalled, however, by this gross misuse of trust by a long-term Fund employee, gratified that it was discovered and the individual promptly held accountable, and relieved that participants were protected by adequate insurance coverage. The Funds have assured us that they have taken measures to strengthen their internal protections and we will continue to insist, through our Trustees, that the Funds take whatever additional steps are necessary to avoid any future incidents. We also understand that, because the Funds were fully insured, this situation has had absolutely no impact on member benefits," noted AFTRA Assistant National Executive Director, Rebecca Rhine.

Other actions taken by the Board at yesterday's meeting:

- David Hartley-Margolin of Denver was named Trustee to the H&R Funds to fill the seat held by former AFTRA National President, the late Frank Maxwell,
- Bobbie Bates of Los Angeles was named to the Administrative Committee to fill the seat held by the late Frank Maxwell.
- The Public Radio Freelance Agreement was extended through September 2005 with increases in program fees and H&R contributions.
- The passage of two resolutions in support of the rights of journalists to protect confidential sources and conduct standard information gathering without fear of legal retaliation.

The American Federation of Television and Radio Artists -- affiliated with the AFL-CIO -- is a diverse union representing nearly 80,000 professional broadcasters and performers nationwide working in news and entertainment programming on television and radio as well as in the sound recording industry, commercials and industrial work, and newer technologies such as interactive games, Internet production and CD ROMs.

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