

“Let’s Get to a Negotiation”

As Prepared Opening Remarks by Bryan Lourd

June 7, 2019

Good morning.

Thank you all for being here. This is a very important moment for writers, the WGA, agents, the ATA, and our entire creative community.

It’s been eight weeks and one day since the Guild instructed its members, our former clients, to fire their agents. Many of us, both agents and writers, believe that there was a very different way for us to talk to each other about a new deal. We had a year to do so. It might not have been necessary to disrupt so many peoples’ lives and their ability to further their careers as well as pay their bills. The agency community has looked very closely, and with great seriousness and effort, at the role and responsibilities of agents in the lives of writers – all writers. A working group of over 40 of us has met for hundreds of hours collectively to brainstorm and hash out the thinking and intent of what you will hear and receive today.

The ATA has never been more unified and determined to get this right with the membership of your Guild. Today, we hope to turn the page.

We are doing what no good negotiator or agent would ever advise a client to do – we are negotiating against ourselves. We are doing so knowingly and willingly in order to answer our clients’/your members’ request that we move our groups into alignment. We want to get back to work for writers. We can only do this if the ATA and WGA leadership, willingly and enthusiastically, embrace a process, and an intense, concentrated dialogue with the shared goal to make a new deal that is fair to both sides. A deal that takes the realities of our business into consideration.

Today, with the hope of coming to a new agreement with you, the Guild’s elected and appointed leaders, and the membership at large, we are respectfully asking for your input, active effort, and sincere participation in a process to move the parties forward. Our writer clients have been calling us – imploring us to find a way to get the parties back together. We know they’ve been calling and meeting with all of you too. They’re understandably nervous and frustrated. They want to know what the plan is. What the end goal is. They want us to work together.

We are here asking you to work with us, for as many hours as it takes to create a new and comprehensive deal that best serves your members now and prepares for the rapidly changing future – a future I know we both agree is filled with threats to the creative community’s ownership prospects, creative rights, residuals, and, ultimately, their ability to make a living pursuing their craft...writing.

We all recognize that the future of this industry, the way it makes money, and the way artists are compensated will look different than it has in the past. We have discussed key aspects of our offer with writer clients as well as many leaders of our entertainment community, recognizing that it takes many artists to make a project successful. The same thing is true to craft the right deal. The feedback that we’ve received from them is reflected in this proposal.

But it is incomplete. It lacks your input.

Today, we are submitting proposals to you in the following areas:

- 1) The term of our contract
- 2) Arbitration and the process for remedy in all situations
- 3) The sharing of information and data
- 4) Affiliated independent companies
- 5) Film finance
- 6) The obligations and process around choice and packaging
- 7) Obviously, there are other discussions to be had around other issues, but we all think this list of six is a good place to start.

Again, we acknowledge that there are many issues in these proposals that need input from you and your negotiating committee – this is a starting point. It's an opportunity to press reset on our discussions. Please review them with that in mind.

Shortly, I will ask members of our working group in the ATA to read these proposals aloud, and then, with your permission, David & David, we will give them to you in writing. Before we proceed though, I think it's important to stress how much we want to make a deal with you. Your actions as a Guild, as disruptive as they have been, need to result in a deal. If not, then

the courts and dozens of lawyers will have to decide how we coexist. No one wants to go down that road, but we will if we are all forced to.

The ideas built into the proposals you will hear and see today are our attempt to begin a process with you. We need your expertise and guidance in the form of a counter. We do believe there are real and tangible solutions to explore but we can't do that in a vacuum.

A few things...

We disagree with your statement that we are not aligned. We do agree with you, though, that ever-greater alignment is vital, and in our opinion, our proposals address these needs.

We are making a historic offer that will provide revenue sharing on the backend profits agencies derive from packaged shows. We are more than doubling our previous offer. This financial proposal is specifically designed to benefit the large group of writers who contribute to packaged shows but do not have back-end/ownership positions. Our proposal benefits the working writer. We have ideas about how this money can be fairly

distributed but we need your input and guidance to get it right, both for the writers and for the Guild.

Separate from this negotiation, we plan to keep our previously suggested commitment to form an inclusion fund with a multi-million-dollar commitment over the term of this deal to fund programs for scholarships, debt relief, training, internships, etc., for artists in our industry. We welcome your participation. This fund should enhance the work already going across agencies and other guilds.

We have an idea about how to assist the Guild and all writers in our collective and ongoing quest to improve the creative, financial and working conditions on productions generated through affiliated independent companies. Our proposals with respect to affiliates reflect that they are separate entities from us, but we strongly encourage the Guild to talk directly with them, with a goal of making some of the benefits they currently offer—and perhaps others – permanent. We are prepared to answer all of your questions about ownership and governance. You will hear those specifics today. We believe there is an opportunity for the Guild to make deals with these companies that could further benefit writers and assist in

future conversations about writers' rights. We believe the existence of these companies (and as many companies like them that we can all collectively make possible and nurture) are essential to the future of artists' independence from corporate distribution platforms where ownership and creative autonomy is quickly being destroyed. The unspoken strategy of these multi-national content and distribution companies is to drive prices down and wipe out ownership for writers and creators. This is happening in real time as we've sat here in limbo for these last two months fighting with each other as opposed to cooperating with each other to face this real challenge.

Thanks for listening so far...

Let me introduce my colleagues who will read these proposals...:

Conclusion:

I suggest that we talk now or that we break so that you can meet with your group to take these proposals to your private room for an hour to talk to your Negotiating Committee.

I direct this to all of you, the leaders, the Negotiating Committee, and the members. We respect your Guild. We hope you respect agents and the individuals who have dedicated their lives to working for writers and other artists.

We are open to any suggestions for a process that works for your group.

Here is our new offer. Please come back to say you will counter and engage in a process with us to forge a new agreement.

Thank you.

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