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SAG members look to end dissension in election for president

The potential merger with the smaller AFTRA is a key issue in the balloting.

By Richard Verrier

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When members of the Screen Actors Guild cast their ballots for president in the coming weeks, they will be voting for a leader who can best repair the damage inflicted on Hollywood's largest talent union over the last two years.

With 125,000 members, the 76-year-old SAG is still the mightiest union in Hollywood. But its clout has been diminished by internal bickering, a divided boardroom and a disastrous power struggle with a smaller union that represents actors as well as broadcast journalists, disc jockeys and recording artists.

SAG has become so weakened, in fact, that the union once led by Ronald Reagan and James Cagney may have to merge with the American Federation of Television and Radio Artists to maintain its leverage. The potential merger is a central issue in an election that will be decided by Sept. 24, when results from a mail-in vote now underway are announced.

The SAG election is one of two contests this fall that could set the course of industry labor relations over the next two years. The other is at the Writers Guild of America, West. Both elections pit candidates who advocate a hard line in negotiations with the studios against so-called moderates who favor a less confrontational approach with their employers and sister guilds. Although moderates are favored to win at SAG, the WGA race is much tighter.

Both unions' contracts expire in summer 2011, potentially giving the guilds power at the bargaining table if they can coordinate a strategy with the Directors Guild of America, which has set the pattern in bargaining in the past.

Relations between the major studios and the labor unions could not be more tense, after a 100-day strike by the WGA and a nasty contract dispute with SAG that dragged on for months and ultimately forced out Executive Director Doug Allen.

Among the most startling signs of SAG's weakened state is its grip over prime-time television. SAG's contracts cover only 16% of the new scripted prime-time TV shows on the major broadcast networks, down from 86% a year ago. When it appeared SAG might strike last year, the broadcast networks took their business to AFTRA, which now controls 84% of new prime-time shows. AFTRA suspended its longtime bargaining partnership with SAG last year after a dispute over turf, freeing the union to negotiate directly with the studios for prime-time TV contracts.

Although SAG continues to dominate prime-time TV, the shift of work to AFTRA is taking a toll, reducing contributions to the actors' health and pension plans and eroding union dues, which were already depressed because of last year's production slowdown.

The guild had a nearly \$6-million deficit in fiscal 2009, which ended April 30, thanks to investment losses, a drop in member dues and excessive expenses. That included funds spent on a fruitless campaign to oppose AFTRA's contract because SAG's former negotiators felt it contained too many concessions and undercut their own negotiations.

The guild laid off 35 workers this year to balance its \$60-million budget. Although it has more than \$20 million in reserve, SAG has projected a \$4-million deficit for fiscal 2010, people familiar with the guild's finances said.

SAG's decline comes as actors are having a tougher time finding work. Studios cut back production because of the sagging economics of the business, and networks have replaced more scripted programs with less expensive reality fare, game shows and talk shows. Actors have seen a steady slide in their income from residuals, the extra fees they get from reruns, as fewer shows repeat on the networks or are sold in syndication. Networks increasingly repeat shows on the Internet, where residuals are a fraction of those on network television, or on cable TV, where pay rates are lower.

AFTRA and SAG have tried to merge before. Attempts in 1999 and 2003 sputtered over issues of control. Whether they can heal the bad blood between them is an open question.

AFTRA President Roberta Reardon has reacted cautiously to the idea, saying SAG needs to sort out its internal disputes first. A first step would be to revive the "phase one" bargaining partnership, in which the unions jointly negotiate contracts terms, that was suspended last year.

The two unions have about 44,000 members in common, but they have very different cultures that could make a marriage difficult. SAG represents actors who also work in feature films, while AFTRA does not. Many of AFTRA's actors work in daytime television.

Nonetheless, merging the two unions is a central goal of a coalition of SAG moderates, backed by Tom Hanks, George Clooney and other celebrities, that won control of the board in election's last fall. The group, called Unite for Strength, led the ouster of Allen and installed a new negotiating team and Allen's replacement, David White, who has worked to improve relations with AFTRA.

Their candidate for president, Ken Howard, a veteran character actor whose credits include the HBO drama "Grey Gardens" and the TV series "Crossing Jordan," said combining with AFTRA is necessary to prevent studios from playing one union off the other.

"Part of the reason we want to merge is to be in a situation where we don't get undercut," Howard said. "We're in a situation where the threat of a strike plays right into the hands of producers who have this whole other side, which is AFTRA. It weakens us totally. We're helping management with a notion of divide and conquer."

In addition to pushing for a merger with AFTRA, Howard is campaigning to unify the guild internally, rejecting a "go-it-alone approach" by improving ties with other guilds and adopting a less combative stance with the studios. "The last two years we've been in attack mode, fraught with emotion and posturing. I can reason things through and be businesslike, which is something we sorely need."

Running against Howard is Anne-Marie Johnson, SAG's first vice president, who is backed by Membership First, the group that swept President Alan Rosenberg into office four years ago.

Johnson said she favors merging only the actors who are members of both unions. Only three-quarters of AFTRA's roughly 70,000 members are actors, compared with all of SAG's.

She contends that combining the unions is a bad idea because they each have so many types of members.

"I don't believe larger is better," said Johnson, star of "In the Heat of the Night" and "That's So Raven." "We as actors have completely different needs and concerns than broadcasters, recording artists and disc jockeys."

In fact, Johnson, who was recently elected to the AFTRA board, has been among the most vociferous critics of AFTRA for being a compliant union that shortchanges actors in contracts. She advocates reviving the bargaining partnership and combining administrative services between unions to reduce overlap.

Johnson, however, faces an uphill battle given her close association with Rosenberg, who waged an unsuccessful campaign to defeat AFTRA's contract, fiercely opposed a SAG contract that was overwhelmingly approved by members, and lost a battle to keep Allen in his job. The two sought a court order to overturn Allen's firing. A judge denied their request, which they have appealed.

Johnson said that although she shares Rosenberg's goals, she has a different style. "I'm a little more pragmatic than Alan," she said. "I don't take this as personally."

Two other candidates running as independents are actor Asmar Muhammad, a relative unknown, and Seymour Cassel, the veteran character actor who recently received a lifetime achievement award from the Downtown Film Festival and who nearly defeated Rosenberg two years ago.

"I'm running for actors, because nobody cares about actors," Cassel said. "I'm campaigning to get actors fair wages and to stop spending money frivolously, which the guild does."

Cassel's candidacy, however, took a hit recently when a union trial board found him guilty of conduct unbecoming of a member for allegedly sexually harassing three female staff members. He was given a two-year suspension. Cassel appealed to SAG's national executive committee, which postponed a ruling on the matter until the national board could consider the appeal.

Cassel said the allegations are without basis. "They don't like me because they know I don't like David White," he said, referring to the interim executive director.

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