



New Motion Picture Contract Generates More Employment!

Phil Ayling

RMALA continues to lobby hard within the AFM to create smarter and more efficient contracts for all types of electronic media.

At the 2002 Film and Television negotiations, rather than embracing traditional bargaining and trying to get the biggest raises possible, we took a very different approach. Our knowledge of how the film business actually functions told us that a "business as usual" negotiation was not the approach to take. We wanted to broaden the application of the Low Budget Agreement, limit wage increases and facilitate the release of soundtrack albums, but that approach received limited support within the Federation. Even so, we were successful in getting some changes made in those areas.

The wisdom of our non-traditional approach to bargaining was verified by the employment generated during that contract term. For the record, wages earned by Local 47 members under the AFM Theatrical Motion Picture Agreement during the last three year contract term (2002-2005) was approximately 59 million dollars - an increase of more than one million dollars over the prior contract term!

When we entered into negotiations for a successor agreement in June 2005, RMALA was more determined than ever to build on our success and implement more of the innovative provisions which had been rejected before. We lobbied hard to convince the AFM to move boldly in a new direction and this time we were even more successful.

continued on page 2

New Faces

RMALA welcomes two new board members.



Greg Jamrok has lived in L.A. since 1998, and is active in the music prep community, most notably as the orchestrator for composer David Newman on over 20 films and other projects. His technical knowledge of current music software programs, along with "real world" experience in using them and working in the studios,

will be very valuable to the board.



Jen Kuhn is a cellist, and after studying at Manhattan School Of Music, Interlochen Arts Academy and the Cleveland Institute Of Music, moved to L.A. five years ago. She is starting to work in the studios, and as a sub in some local orchestras. Her enthusiasm and energy are a great asset, and

she has been an enormous help in preparing the current RMA Directory.

continued on page 3



The 2006-2007 RMALA Directory is coming soon to a mailbox near you. We hope that you will find it to be "one stop shopping" for important information about the recording business. Jay Rosen has spent countless hours putting everything together and we have a wonderful team this year to help him out.

Thanks to all who have made this year's RMA Directory possible.



New Motion Picture Contract continued

According to Local 47 President Hal Espinosa, in the first 6 months of this year, Motion Picture wages are up one million dollars over the same period in 2005. This means that even with a wage freeze for large budget films, a higher budget ceiling for Low Budget Films and a Lower Budget tier for Independent films we are doing many more projects and more people are being hired, resulting in the higher totals. For the first time many small size films are now able to afford some acoustic musicians and many medium size films are able to hire even larger orchestras.

All of these films will generate ancillary income through the Secondary Markets Fund and the increased sessions mean that the number of Local 47 members who continue to qualify for Motion Picture Health and Welfare remain steady. The Motion Picture and TV Film Agreement now generates more money for musicians (and for the AFM) than any of the Federation's other recording agreements and this agreement has more union compliance and density than any other Federation agreement as well.

The work under our TV Film agreement has decreased somewhat. However, we have no loss of market share. The number of contracts being filed continues to be high. Much of the decrease can be attributed to the increased use of "electronic" music or the use of Sound Recordings in TV programming. On the upside, the use of these records in TV shows should mean new use payments to AFM members.

John Acosta and his staff at the Local 47 EMD department do a great job of collecting data and pursuing record new use. However, the actual collection of those monies is a Federation activity, and it is becoming more and more challenging for the AFM to collect those payments. It is more important than ever for the AFM to vigorously enforce our contracts. There's much more money out there to be collected!

It is natural and understandable to see the health of the music business through the "eyes" of our own careers. We realize that an improved work environment offers little comfort for any musician who is underemployed or who doesn't qualify for health insurance, but with all the misinformation floating around, we feel that setting the record straight is essential if

we are to move forward on any kind of informed basis.

All of us have unique career arcs, unique personal and professional relationships; we play different instruments or have different musical skills which are subject to fads in the recording industry. Some of us are busy when other are not and vice versa, but RMALA is committed to creating employment opportunities and improving working conditions for all recording musicians and we do so with equal passion for each and every one of you.

We appreciate your continued support and hope to continue with the good news.

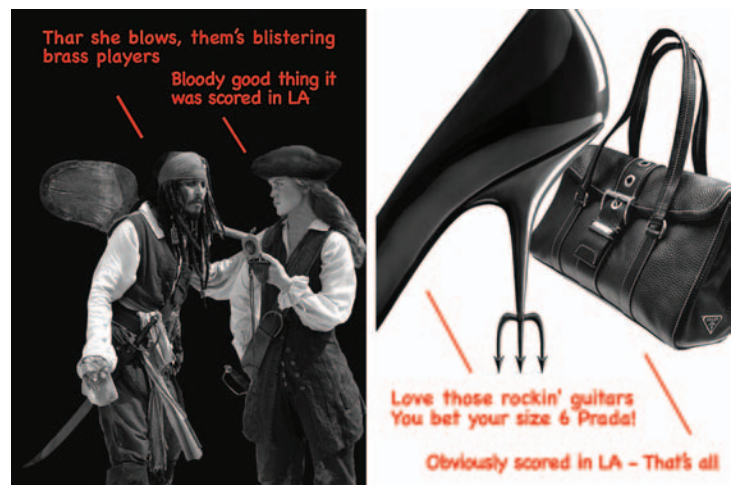
RMANite XIII

Antony Cooke

It seems hard to believe that our thirteenth RMA NITE ("Starry Nights") is almost upon us.

Thirteen turns out to be a lucky number after all, since our chosen venue is perhaps our all-time high; what better place to experience the old Hollywood glamour than the Riviera Country Club in Pacific Palisades! This venerable old institution has been around since the glory days of the roaring 20's, and many a celebrity has graced its grand interior and grounds.

Newly remodeled, we will be experiencing its magnificent setting, the best of cuisine, atmosphere, a special featured "Starry Nights" raffle prize, the Bevan Manson Trio, your great company, and some special guests.....but none more special than YOU!



Hollywood Reporter RMALA Ad campaign

New Faces continued

Other New Faces to Meet



Michael Jourgensen is RMALA's new office manager. He has an excellent grasp of the many computer software programs needed to make the office function effectively, plus experience in their use in a business environment. As an experienced guitar player he has an intuitive understanding of musicians' needs. He has consid-

erable organizational skill, and is used to creative problem solving in a customer service environment, which will be helpful in dealing with the wide range of people who have contact with the RMALA through the office.



John Acosta is the Administrator for Electronic Media at Local 47. John hails from the Bronx, New York, and his father Juan was a percussionist from Cuba who worked as a touring musician with Latin jazz greats such as Tito Puente & Celia Cruz. John has been a working musician

from the age of 16 when he was sponsored to move to California and began his recording career working as a composer, guitarist, producer and engineer for artists signed to Warner Brothers, DreamWorks, Geffen, BMG, Elektra and Capitol Records. Recently he has been active in organizing musicians around the Southern California area with special emphasis on alternative rock, Latin music, rap, and DJ's.

John can be reached via email at:
 emd@promusic47.org
 or by phone at 323-993-3130.

Why should one belong to both RMA and TMA?

The answer is "Most Southern California area musicians earn their livings in several areas of the Industry. If you do ANY theater work (be it long runs, the occasional short run or just help your colleagues substituting from time to time), the TMA is representing your interests in this regard and needs your support!" Many RMA members already do this. Some, who formerly did a lot of Theater work and no longer do so, still support the organization. The dues, by the way, are \$40.00 annually. \$35.00 goes to the National and \$5.00 remains with the Southern California Chapter.

The TMA is working with both the Local (in an advisory capacity) and the Federation (TMA sends up to three delegates to the Convention) to improve wages, benefits and working conditions, and to preserve employment. And make no mistake, Theater Employment is under assault! Replacement of Live Musicians in Theater Pits with "Virtual Orchestra Machines" is here and will probably increase.

To quote its bylaws, "The purpose of the TMA shall be to promote the respective interests of theater orchestras and their member musicians, both full-time and part-time; both local and traveling; to enhance communications among these theater orchestras and their Locals; to exchange information and address problems of mutual concern; and to pursue any other activities conducive to the general welfare of its members in accordance with the Bylaws of the AFM."

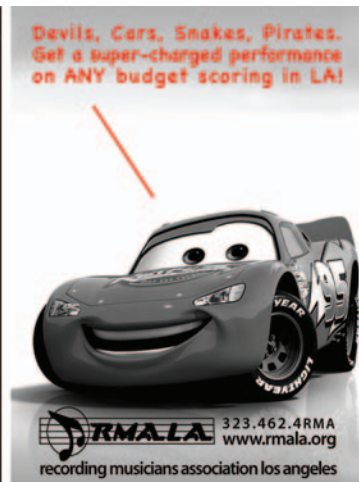
In closing, I would like to borrow a sentence from the ICSOM webpage: We "... will flourish in direct proportion to enthusiasm and dedicated participation."

Bob Sanders,
 President, Southern California Chapter,
 Theater Musicians Association
 817 Vine Street Hollywood CA 90038
 562-498-0654

No Phono Deal Yet

Neil Stubenhaus

Although the Sound Recording Labor Agreement (AFM Contract for Records) expired on Jan. 31, 2006, there is no final deal at this time. Delays are primarily related to complex digital download issues. Sources tell us that a deal is close and we will have information soon. As soon as we do, a full report will follow.



Hollywood Reporter RMALA Ad campaign

An Inside look at the Motion Picture Industry Health and Pension Plan

Jay Rosen

RMALA H & W Co-chair

Professional Musicians Local 47, H & W Trustee

The **MPIPHP** (*Motion Picture Industry Pension & Health Plans*) continues to be one of the best group insurance health plans available anywhere. The Plan remains free to eligible participants and dependents, almost unheard of in today's health care environment. Even with the significant recent changes, the plan is still one our most valuable contract benefits. Following are a few things you probably didn't know about the MPIPHP.

At any given time there are between 800-1100 Professional Musicians, Local 47 members eligible and participating in the MPIPHP. Industry-wide The Plan has 30 participating Union Locals and Guilds. 18 of them are IATSE Locals. The MPIPHP is in fact IATSE's plan. IATSE, often called the IA, is the *International Alliance of Theatrical Stage Employees, Moving Picture Technician, Artists and Allied Crafts of the United States,*

Its Territories and Canada. The Plan has about 42,000 eligible participants (not including dependents) and \$4.6 billion in total assets. \$2.3 billion is in the Defined Benefit Pension Plan. Musicians by agreement do not participate in the pension or the retirement medical portions of The Plan, only, when qualified, in the Health Plan portion for current employees (the AFM has it's own pension plan). MPIPHP also offers the important Industry Advantage Individual Self-paid individual HMO and PPO plans for musicians/industry members who have lost or are ineligible for group health plan benefits through their union/guild or employer. There are 36 Trustees on The Plan, half from the major studios – half from the unions covered by The Plan. (The Plan has never had a Trustee from the AFM/Local 47 - at one time, the AFM had an Alternate Trustee).

Residual Funding • Residuals represent monies that every entertainment union in Hollywood collects, one way or another. For SAG, the DGA, and WGA (called the Tri-Guilds) residuals can mean money from primary box office, broadcast and cable (including repeats), home video and DVD sales. These flow directly to the individual guild members, as well as funding health and pension benefits, depending on the respective agreement. For IA and its members, residuals mean money that goes from many of these sources directly into the Motion Picture Industry Pension and Health Plans - not to individual members. These monies provide funding for current employee healthcare plus pension and lifetime healthcare for qualified participants. AFM members doing covered work receive monies through the Secondary Markets Fund from some of those markets and those funds are ultimately distributed to the covered musicians. So to be clear, musicians can qualify for the current Health Plan benefits and we receive personal residuals – we do not receive lifetime healthcare or any additional pension funding.

The Plan received \$350 million in contributions derived from residuals last year. This is basically why the MPIHP plan is healthy. These residuals provide funding for the Health Plan and, when it is adequately funded, carry over into the Pension Plan. In the past five years, residuals have provided around 50% of the cash flow coming into the Plan. One example – Residuals that have flowed into The Plan from the Motion Picture *The Titanic* have totaled \$9 million to date. Last year the Plan's cash inflow totaled \$700 million (half from residuals, half from hourly contributions.) Cash outflow was just under \$600 million.

OFFICERS

Neil Stubenhaus - President
Phil Ayling - 1st Vice President
Marc Sazer - 2nd Vice President
Phil Yao - Treasurer
Sue Ranney - Secretary

BOARD OF DIRECTORS

Antony Cooke Mark Graham
Dan Greco Jennie Hansen
Greg Jamrok Jen Kuhn
Bill Reichenbach Jay Rosen

RMALA NEWSLETTER

Jay Rosen - Publisher & Editor
publisher@rmala.org

Michael Jourgensen - RMA Office
info@rmaweb.org

Recording Musicians Association Los Angeles
817 Vine Street, Ste. 209 Hollywood, CA 90038
(323) 462-4RMA • Fax: (323) 462-2406

This Newsletter was produced, designed and printed in-house by RMALA