



DGA Contract Highlights 2023-2026 Tentative Agreement

Key Contract Highlights	Description
General Wage Increases	
<p>More than 13% compound increase in wages over three years:</p> <ul style="list-style-type: none"> • Year 1 – 5% • Year 2 – 4% • Year 3 – 3.5% (Note: Does not apply to Pay TV and HB SVOD directors – see below under “Episodic Directors”). 	<ul style="list-style-type: none"> • The first 5% annual wage increase and highest 3 year wage increase in over 30 years.
Global Streaming Residuals	
<p>Significant increase in global SVOD residuals.</p> <p>Created a new residual structure that, for the first time, is based on the number of foreign subscribers.</p> <p>Largest streaming services will now pay \$89,415 for one-hour series for first three years of use, a 21% increase overall (and 76% increase in the foreign residual).</p> <p>Residual for 13 years of use on the largest services increased by 28% to \$168,773.</p> <p>Three-year worldwide residual increase of 34%, to \$230,250, for feature-length SVOD projects with budgets of at least \$13M.</p>	<ul style="list-style-type: none"> • New residual structure captures global SVOD growth and ensures DGA members share in global distribution of their work. • New, highest-tier SVOD residual far exceeds the residual paid for virtually all network series. • New residual formula significantly increasing residuals: <ul style="list-style-type: none"> ○ Increases residuals on all platforms. ○ Builds for the future – residuals grow as platforms expand around the world. ○ Increases residuals paid in later years by 85%.
Generative Artificial Intelligence (GAI)	
<p>Duties performed by DGA members must be assigned to a person and GAI does not constitute a person.</p> <p>Employers may not use GAI in connection with creative elements without consultation with the Director or other DGA-covered employees.</p> <p>Mandated twice-yearly meetings with the Studios to discuss and negotiate over AI.</p>	<ul style="list-style-type: none"> • Ensures that DGA member’s job duties will not be replaced by, or assigned to, GAI and creates a formal structure for DGA to meet with the Studios on how GAI will be used in the future.

Free to Consumer Ad Supported Streaming Services (AVOD)

High-budget scripted programs made for AVOD fully covered by SVOD contract standards including compensation, minimums, and creative rights for services with under 20M subscribers.

Residuals at 2% of Employer's gross.

- Won first-ever standards for AVOD projects. Previously, AVOD terms were fully negotiable with no minimums, no creative rights, and no residuals. Now all three apply.
- Residuals will be shared by Directors and Directorial team members.

Benefits and Holidays

Pension and Health

For theatrical and longform TV and limited series, \$25,000-\$50,000 increase per project for the salary caps under which Employers are required to contribute to members' pensions.

Right to apply up to 0.5% of wage increase into the Health or Pension Plans in years two or three.

Parental Leave

New parental leave benefit starting in year three, funded by dedicated Employer contributions.

Holidays

Juneteenth added as a holiday.

- Ensures additional funding to further strengthen the Health and Pension Plans so they can continue to meet the promises made to members.
- Establishes first-ever parental leave benefit under the DGA agreement to allow parents to take a paid leave within one year of the birth, adoption or placement of their child. Specific benefit to be developed by the DGA Health Plan trustees.

Safety

Expand safety training for all DGA categories under the BA and FLTTA, including a new safety training for Directors.

Safety Officer/Risk Assessment Pilot Program in NY and GA, aligned with CA legislation.

Ban of live ammunition on production with limited exceptions.

- Elevates the importance of set safety including additional courses for all DGA teams.
- Introduction of a safety model based on global best-practice, already used in the UK and Australia, with qualified Safety Officers on production implementing a written safety plan.
- First contract to ban live ammunition.

Episodic Directors

Paid post-production days on high budget SVOD and Pay TV series. To achieve these additional paid days, wage increases for directors in Pay TV and SVOD less than the general wage increase, equaling 6.6% compounded increase over the agreement:

- Year 1 – 3%
- Year 2 – 2%
- Year 3 – 1.5%

Additional creative rights gains:

- Enhanced restrictions on the use of electronic transmission from the set.
- Directors to receive digital copy of their episodes.
- Increased notice and opportunity for Directors to given casting recommendations.

Addition of one day to guaranteed shoot period for one-hour series made for Pay TV and SVOD episodes with budgets over \$3.8M.

Increase the intervening day cap maximum from 5 to 7 days.

Provide one day of prep to replacement directors unless shoot is two hours or less.

- First time in DGA history that TV directors are paid for post-production. New rights will enhance Director's role in post-production and create more collaborative process by Directors incorporating Producer notes into a subsequent cut.
- The two paid post days plus the additional guaranteed shoot day results in a 28% compensation increase for most one-hour series made for Pay TV or SVOD (from \$50,764 to \$64,960).
- Guaranteed minimum shoot period for one-hour Pay and SVOD now 9 days. The 8 day guarantee had been the minimum for 50 years.
- First expansion of intervening days since 2008.

Feature Directors

Soft Prep: Pay of \$5,000 per week for up to ten weeks as compensation once three named crew members are employed.

Director's cut period increased from four to ten weeks for made-for-SVOD features with budgets of \$22.5M.

- First steps toward compensating Directors for the significant amount of free work performed prior to the official greenlighting of a project.
- Director's cut period in higher budgeted SVOD movies now equivalent to the cut time for theatrical features.

AD/UPMs

One hour reduction in the workday for most Assistant Directors which results in extended-day payments being triggered one hour earlier.

Increase in wrap time in the studio from one-half hour to one hour.

- This will either result in shorter workdays or significantly increased extended-day payments.

Diversity

Creation of new joint Guild-Employer Diversity and Inclusion Committee and regular meetings with studio executives to improve representation in theatrical features.

Expanded obligation by studios to create more hiring opportunities for additional under-represented groups, including people who identify as LGBTQIA+ and People with Disabilities.

- Strengthens and expands Employer commitments to adopt more inclusive hiring in feature films.
- Broadening efforts to apply to all historically under-represented groups.
- Guaranteed episodes for television development diversity program participants by most of the major Studios.

Non-Dramatic Terms

Minimum terms and conditions will apply for high budget Variety, Quiz and Game, and "All Other" programs made for Subscription Streaming (SVOD).

Pay will increase from 150% to 200% for work on holidays and 7th days for all Associate Directors and Stage Managers.

- Establishes for the first time terms for these unscripted programs when made for SVOD services and significantly increases the number of programs that will now pay residuals.
- Residuals will be shared by Directors and Directorial team members.

SUMMARY OF AGREEMENT
DIRECTORS GUILD OF AMERICA BASIC AGREEMENT OF 2023
FREELANCE LIVE & TAPE TELEVISION AGREEMENT OF 2023

1. General Wage and Residual Increases

A. General Wage Increases

Except as noted below, minimum salaries will increase by 5% on July 1, 2023, 4% on July 1, 2024, and 3.5% on July 1, 2025, for a compounded three-year increase that exceeds 13%. An additional 0.5% on top of these wage increases will be provided to establish a new parental leave fund.

For directors of scripted episodic series made for Pay Television and High Budget SVOD, minimum salaries will increase by 3% in the first year of the agreement, 2% in the second year of the agreement, and 1.5% in the third year of the agreement for a compounded increase of 6.6%. These lower increases were negotiated as part of achieving additional paid post-production days for Directors working on many one-hour and half-hour series made for Pay TV and High Budget SVOD. This is the first time in the Guild's history that Directors will receive compensation for post-production work. The additional paid post day(s) coupled with winning one (1) additional guaranteed shoot day for almost all one-hour series made for Pay TV and High Budget SVOD means that the guaranteed minimum compensation for most Directors working on one-hour series made for Pay TV or High Budget SVOD will go from the current rate of \$50,764 to \$64,960 during the term of the agreement, a 28% increase in the guaranteed minimum compensation.

For Directors of network non-prime time strip dramatic programs, the minimum salaries will increase by 3.5% in the first year of the agreement, and 3% in the second and third years, for a compounded increase of 9.8%.

B. Residual Base Increases

The residual base for high budget SVOD movies above \$13 million

will increase by 5% in the first year of the agreement, 4% in the second year, and 3.5% in the third year. Residual bases for foreign free television, re-use on free-to-the-consumer ad-supported video on demand (AVOD), network non-prime time, syndication, and basic cable will increase by 3% each year of the agreement, with a total compounded increase of 9.3% over the term of the agreement. The residual base for High Budget SVOD scripted programs will increase by 2.5% in the first year of the agreement. As in past negotiations, the lucrative Pay TV residual base and the network prime time rerun fee will remain at their current levels.

C. **Residuals Reporting Improvements**

The DGA negotiated greater transparency in the reporting of residuals payments, separating out payments owed for different markets (e.g., SVOD from Electronic Sell Thru and Download to Rent; and Foreign from Domestic gross payments), which will greatly enhance the DGA's ability to enforce the correct payment of residuals resulting in increased residual payments.

2. **Pension and Health Plan Contributions**

The Guild obtained additional Employer contributions to further secure the Pension and Health Plans:

- A. For theatrical projects, the salary cap on Pension contributions for Directors increases from \$250,000 to \$300,000. For Assistant Directors and Unit Production Managers, the Pension salary cap increases from \$200,000 to \$250,000.
- B. For a UPM who is also employed as a producer on a theatrical project, the minimum salary for both Pension and Health contributions increases from \$100,000 to \$125,000.
- C. For Television, High Budget SVOD and High Budget AVOD projects 90 minutes or longer, or any limited series, the salary cap on Pension and Health contributions increases from \$250,000 to \$300,000.
- D. In addition, the Guild has the right to divert up to 0.5% of the wage

increases to either the DGA Pension or Health Plan in the second or third year of the agreement to secure the plans from the risk of lower investment returns, market volatility and inflation, or reduced residual payments from traditional markets (upon which the Basic Plan is dependent).

3. Parental Leave

A Paid Parental Leave Fund will be established to provide parents with paid time off to bond with a newborn, newly adopted, or newly fostered child. This benefit will be entirely funded through an additional Employer contribution of 0.5% starting in the second year, on top of wages and will be available to individuals who are eligible for health coverage through the DGA Health Plan. The specific benefits will be developed by the Health Plan trustees.

This new benefit, which will be available to members in the third year of the agreement, will allow qualifying participants to take paid leave within one (1) year of the birth, adoption, or placement of their child.

4. Holidays

Juneteenth is added as a contractual holiday.

5. Global Streaming Residuals

As subscription streaming (SVOD) services continue to expand dramatically around the world, the DGA prioritized building for the future, successfully negotiating a new SVOD residuals structure that allows DGA members to share in the increasing global distribution of their work.

- A. The agreement establishes a new foreign residuals structure for High Budget dramatic SVOD based on the number of foreign subscribers (rather than simply as a percentage of the domestic residual).

This means a one-hour program made for the biggest platforms will pay \$89,415 for the first three years of worldwide use. This is a 76% increase in the foreign residual and a 21.5% increase overall and far

exceeds the average residuals earned from all markets for the most popular network series.

For feature-length SVOD projects with budgets of at least \$13 million, the three-year worldwide residual will increase by 34% over the term of the agreement to \$230,250.

- B. The DGA also negotiated a significant increase in residuals paid in later exhibition years, resulting in an 85% increase in residuals paid for Exhibition Years 8-12. A one-hour show will now pay \$168,773 over 13 years on the largest platforms.
- C. In the second year of the agreement, the two lowest subscriber tiers (Tier 1 at under 1 million domestic subscribers and Tier 2 at 5 million or fewer domestic subscribers) will be folded into Tier 3, resulting in a 67% increase in residuals for the first three years of exhibition for Tier 2 projects and more than quadrupling the residual for any Tier 1 project.

6. Generative Artificial Intelligence

The DGA obtained several important commitments from the Employers regarding the use of Generative Artificial Intelligence (GAI).

- A. Secured agreement that the customary and contractual duties assigned to DGA-represented employees must continue to be assigned to DGA-represented employees covered by the agreement, and that GAI does not constitute a person.
- B. The Employers may not utilize GAI in connection with creative elements without consultation with the Director or other DGA-covered employees consistent with the requirements of the DGA Basic Agreement.
- C. The Employers, including senior Studio executives, must meet at least twice per year with the DGA regarding the intended uses for GAI and to discuss appropriate remuneration for any material directed by DGA members that may be used to train GAI systems.

7. Feature Directors

- A. For the first time, Directors of theatrical motion pictures will be compensated for “soft prep” (the work they do prior to the start of their official pre-production period).

The Director must be paid a weekly salary of \$5,000, up to a cap of \$50,000 if three of the four following individuals are engaged on the same project on a weekly basis prior to the start of the Director’s official prep period: 1) UPM or Line Producer, 2) Production Designer, 3) VFX Supervisor, or 4) Location Manager or Scout.

Payments made for work in “soft” prep can be credited against any above scale amounts should the same Director provide directing services on the picture.

- B. The Director’s Cut for High Budget SVOD feature length projects budgeted at \$22.5 million or more will increase from four to 10 weeks.
- C. The agreement allows Employers a limited right to exhibit made-for-SVOD features in theaters. Provided the theatrical exhibition is at least 40 consecutive days after its initial debut on a streaming platform, Employers may pay a fee of 3% of “Employer’s gross” for such a release, rather than the theatrical use fee, to encourage this limited theatrical exhibition.

8. Episodic Directors

- A. Episodic Directors of Pay TV and High Budget SVOD series at or above certain budgets (\$5 million for half-hours, \$7 million for one-hours) that start principal photography on or after July 1, 2024 gain additional paid days in post-production to collaborate on a second cut.

Following delivery of the Director’s Cut, the Director will receive notes within a 24-hour period and then have additional time (2 additional days for one-hour series; 1 additional day for half-hour series) to incorporate notes and collaborate on the subsequent cut with

the producer or, in the absence of notes, to continue working on the cut.

These additional days will be compensated at the pro rata daily rate and represents the first time that Directors will receive compensation for post-production work.

- B. The agreement strengthens the “One Director to a Film” principal by improving the economic rights of the originally assigned Director. This was achieved in three different ways:
- i. An additional shoot day was added to the minimum work period for every episode of Pay TV and High Budget SVOD one-hour series with budgets over \$3.8 million. This will extend the minimum shoot period and reduce non-consecutive photography.
 - ii. A 40% increase in payment for “intervening days” by increasing the cap from 5 to 7 days. These are payments owed to the Director for any down days that occur after the Director completes their initial guaranteed shoot period, but has not completed all of principal photography. The current 5-day cap remains only for photography that was scheduled to occur during the guaranteed period but is not completed due to unplanned production exigencies.
 - iii. If the original Director cannot return the replacement Director is entitled to a prep day, except in the rare instance that the Director is called at least 2 hours after the general crew call for a shoot that takes 2 hours or less.
- C. Electronic Transmission from Set

The parties agreed on restrictions related to the electronic transmission from the set to areas outside of the immediate production area:

- i. Continuous, unrestricted electronic transmission is prohibited.
- ii. Transmission is only allowed in limited circumstances: (a)

when requested for VFX purposes, (b) in rare force majeure circumstances (e.g., earthquake), (c) where immigration restrictions apply, and (d) for one individual producer who would otherwise typically be on set (and cannot be sent to a room with multiple viewers).

- iii. When electronic transmission is allowed, the Employer must first consult with the Director, including explaining the process for providing notes and the specific shoot days or scenes which will be transmitted electronically.

D. Additional Creative Rights Gains for Episodic Directors

- i. Directors to receive a digitally watermarked digital copy of their episode after exhibition; prior to exhibition the studios agree to provide secure access to the episode whenever possible.
- ii. Productions are advised to give notice to the Director and coordinate distribution of casting links with a Director's schedule during their prep period and should, when possible, provide the Director three (3) hours to review links and make casting recommendations before others make casting recommendations.

E. Additional Terms for Episodic Directors

- i. Codifies existing practice permitting Directors and Employers to mutually agree on a comparable assignment on another series when the start date for the original assignment is changed and the Director is unavailable on the new date.
- ii. Permits a Thanksgiving week hiatus provided the Director is notified of the planned hiatus at the time of booking and is paid for Thanksgiving and the day after Thanksgiving.

9. **High Budget AVOD Terms and Residuals**

Establishes for the first time minimum terms and conditions, including

creative rights and residuals, for members working on high budget dramatic projects for ad-supported, free to the consumer video-on-demand streaming services (AVOD) such as Freevee, Tubi, and Roku.

- A. For high budget dramatic programs made for AVOD (e.g., above \$1.03 million for half-hour programs and \$1.75 million for one-hour programs) the rates of pay and working conditions are the same as those for High Budget SVOD projects made for platforms with fewer than 20 million domestic subscribers.
- B. Residuals for use on an AVOD platform will be 2% of “Employer’s gross” after the free initial streaming window. Residuals will be shared with Assistant Directors and Unit Production Managers.

10. High Budget SVOD Non-Dramatic Terms and Conditions

Establishes for the first time minimum terms and conditions for high budget Variety, Quiz and Game, and “All Other” programs made for SVOD.

- A. Network non prime-time terms will generally apply to half-hour programs with budgets at or above \$600,000, one-hour programs at or above \$1.15M, and longform programs at or above \$2.2M, and strip programs based upon budget.
- B. Network prime-time terms will generally apply to projects at or above \$1.1M for half-hour programs, at or above \$2M for one-hour programs, and at or above \$3.2M for programs 96 minutes and longer.
- C. Because salaries of Reality program Directors are generally overscale even on network television, their minimum salaries will remain negotiable. Resolving a key dispute, however, the agreement prohibits employers from crediting SVOD residuals against a Director’s initial compensation except above certain set strict amounts, which will result in more residuals paid to Directors working in Reality programs made for SVOD. The Director rate for Quiz and Game will remain negotiable as this genre continues to develop in SVOD.
- D. The number of non-dramatic SVOD programs generating residuals

will expand substantially to include all High Budget SVOD programs, even those below \$25,000 per minute, which had been the previous threshold. Residuals will be shared with Associate Directors and Stage Managers.

11. Other Non-Dramatic Terms and Conditions

- A. Associate Directors and Stage Managers who work on a holiday will now be paid 200% of their salary (previously 150%), and the current payment for a seventh day worked will increase to 200% (previously 150%).
- B. The parties extended an existing Sideletter to allow for a reduced fee of \$1,320 (prime-time) or \$880 (non prime-time) when a Director of a non-dramatic program is concurrently assigned to direct a segment 5 minutes or less in length for a different “All Other” program, as long as the Director’s services do not exceed one (1) hour.
- C. The DGA agreed to a reduced residual payment for a Tribute or Benefit program that airs live and then is re-run the same day to one-third of what would otherwise be payable. This reduced payment for same-day West Coast re-runs already exists for Awards programs.

12. Diversity

- A. The Employers reaffirmed their commitment to address diversity in theatrical features by agreeing to establish a Joint Diversity and Inclusion Committee and will also hold Studio-by-Studio meetings to discuss strategies and best practices to increase directorial opportunities for under-represented groups.
- B. The Studios will expand their obligation to improve hiring opportunities for women and people of color to include other people from other historically under-represented groups as well (e.g., LGBTQIA+ and People with Disabilities).
- C. CBS, ABC, NBC, Sony, Warner Bros, Paramount, and Netflix will all guarantee that participants in their television Director diversity

programs will direct at least one episode.

13. Safety

- A. Bans the presence of live ammunition (excluding blanks) from most production premises. This is the first entertainment union agreement to adopt such a restriction.
- B. Establishes a pilot program for engaging safety officers on film and television productions to conduct risk assessments and be present on set every day. The program requires each of the major studios to engage a safety officer on at least one 75-minute or longer dramatic project in both New York and Georgia in the third year of the agreement. This program, which will go into effect July 1, 2025, will be modeled after California legislation that the DGA played an instrumental role in securing.
- C. Expands mandatory safety training by adding new courses, including Firearm Safety, and, for the first time, funds mandatory classes for Associate Directors and Stage Managers working under FLTTA. A new structure will be created to centralize funding and oversight of the existing trainee programs in the East and West Coasts, though the two plans will continue to administer their trainee programs autonomously.
- D. A Director-specific safety training program will be developed and launched no later than July 1, 2025.

14. Assistant Directors and Unit Production Managers

- A. The agreement reduces the length of the defined day by one hour for most Assistant Directors, which results in an extended day being triggered one hour earlier.
- B. Under the agreement, every wrapping Second Assistant Director's defined day will end one hour after camera wrap regardless of whether they are working at the studio or on location. Currently, their

defined day ends one-half hour after camera wrap when working on stage.

15. Sustainability

Employers commit to meeting with the DGA on a company-by-company basis, which must include senior Studio executives, to discuss their sustainable production practices.

16. Weather Permitting Calls

Employer may issue a “weather-permitting” call to certain Assistant Directors, Stage Managers and Associate Directors who are daily hires. If the call is cancelled up to 4 hours before the call time, the employee will be owed a half day’s pay. If the call is cancelled later than that, the employee will be owed their daily rate.

17. Limited Promotion Runs for Network Television

In an effort to help bolster network television, the DGA agreed to modify the current provision that allows up to two free promotional runs during the first season so that the provision now allows 25% of episodes up to a maximum of three (3). The DGA negotiated additional language that will exclude any multi-part closed-end series as well as any series that has been cancelled.

18. Term

Three years, July 1, 2023 through June 30, 2026.