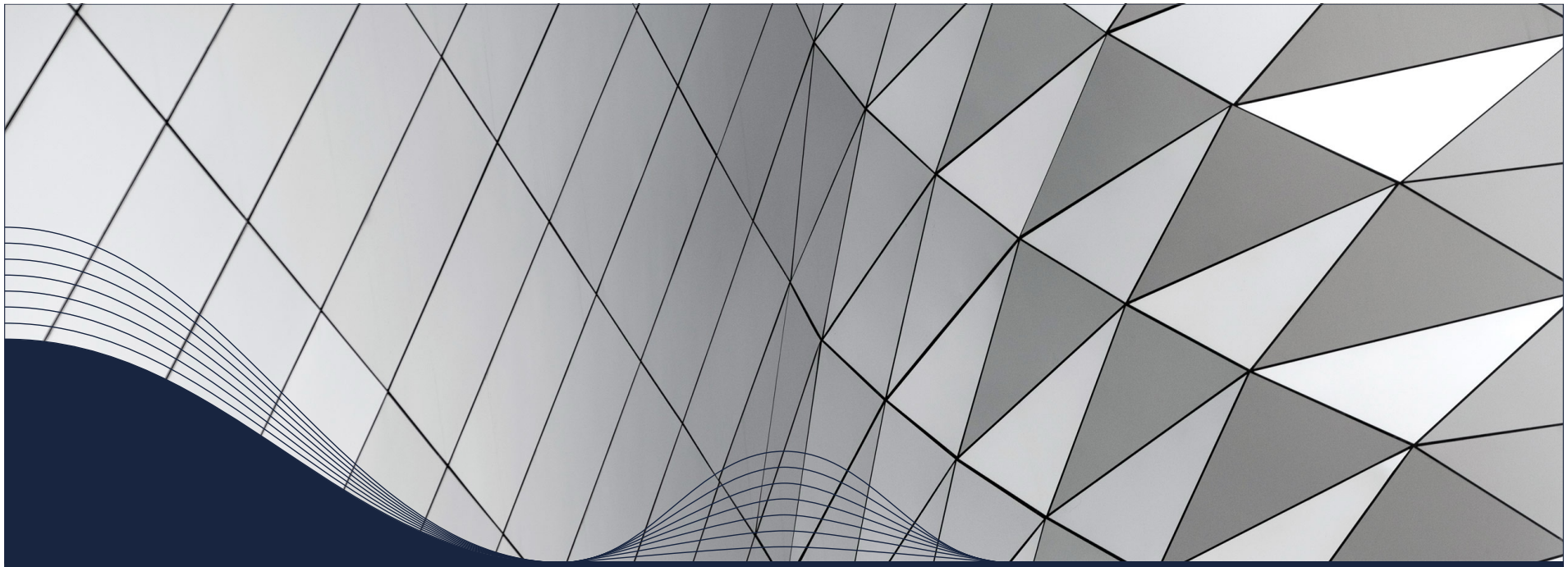


Overview of 2025 SAG-AFTRA Commercials Contracts

DLA PIPER

THE JOINT POLICY COMMITTEE, LLC

DLA PIPER

THE JOINT POLICY COMMITTEE, LLC



Agenda

- Background
- Economics
- Gives and Gets
- AI
- Audio

Team Introduction



Stacy Marcus
Partner, DLA Piper
Chief Negotiator, JPC



Kim Stevens
Director of Industry Relations, JPC



Beth Haynes
Senior Labor Advisor, JPC



Michael Isselin
Partner, DLA Piper
Legal Counsel, JPC



Emily Faro
Associate, DLA Piper

Who we are and what we do

SAG-AFTRA

- SAG-AFTRA collective bargaining agreements (CBAs) cover movies, TV, radio, commercials, interactive (i.e., video games), digital entertainment and podcasts (i.e., "new media"), sound recordings, corporate/educational/non-broadcast videos (i.e., "industrial") and influencer-produced sponsored content
- Most celebrities (even athletes and singers) are SAG-AFTRA members; increasingly, influencers are members, as well
- SAG-AFTRA represents over 160,000 performers
- Newly formed Influencer committee

Joint Policy Committee

- The Joint Policy Committee, LLC ("JPC") is the bargaining representative for advertisers and agencies in negotiations against SAG-AFTRA for the Commercials Contract + the AFM Commercial Announcements Agreement
- Serves as a free resource to anyone in the industry (regardless of signatory status) for questions regarding the Contracts, waivers, etc.
- Provides free trainings, both to individual companies and to the industry at large through our Town Halls

Economics



Setting the scene

Other entertainment industry CBAs negotiated between 2022 and 2025

Prior to the 2022 negotiations, BNA statistics showed overall wage increases around **5%**.

Prior to 2025, those increases more than **doubled**.

The average increase across all labor contracts hovered just under **12%**.

	% Wage Increase			
AMPTP Contracts	**1st Year**	**2nd Year**	**3rd Year**	**Upfront Equivalent**
WGA	5.0%	4.0%	3.5%	9.07%
DGA	5.0%	4.0%	3.5%	9.07%
SAG-AFTRA	7.0%	4.0%	3.5%	11.15%
IATSE	7.0%	4.0%	3.5%	11.15%

*DGA, WGA, SAG-AFTRA, IATSE contracts with the AMPTP

Overall economics

Even with the environment set by other labor and entertainment contracts since 2022.


HOME > BUSINESS > BUSINESS NEWS

The Hollywood Reporter

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SAG-AFTRA and Advertisers Reach Tentative Agreement on Successor Contracts

The tentative agreement came after months of negotiations.

Baseline Year incl. Current P&H Rates (10/1/23 - 9/30/24)	Final 3-Yr. Total ($M)
Total Impact on Contract	**$250.9**
% Impact on Scale Wages	**11.1%**
% Impact on JPC Authorizers	**10.4%**
% Impact on non-JPC Authorizers	**12.7%**
% Impact on All Earnings	**5.4%**

Spotlight:
Wage, Class A, and Stunts

Contract category	2025 Commercials Contract
Wage increase	Increase minimum rates by 5% in Year 1, 4% in Year 2, 3% in Year 3
Class A	Held all rates to 2022 rates
Stunts	NO CHANGES!



Spotlight: Streaming

Contract category	2025 Commercials Contract
Streaming	Larger 1 yr rate increase with smaller increases for the 4-week and 13-week cycles NO compounding with the wage increase



Spotlight: Cable updates

Solutions for a complex issue



2022

Most updates to the Contract led to simpler, clearer, and more predictable outcomes

Moving to Cable flat fees was cost efficient for most stakeholders

2023

After working with stakeholders as well as tracking and analyzing payroll data, it was identified that a small number of commercials were paying more with the Cable flat fees when making low-unit buys

2024

The JPC and the union engaged a consultant to conduct interviews + research, perform additional payroll analysis, and run modeling + simulations to analyze the impact of the Cable terms on different stakeholder groups and to provide insights into how to refine Cable terms in 2025

The JPC developed the new Cable solutions to best serve all stakeholders and added them to the 2025 Commercials Contract:

1. Held all cable rates to 2022 rates
2. Codified the National Cable waiver and added an additional tier → 3 local cable tiers
3. Created the "Single Cable Network" use category

Spotlight: MPU updates



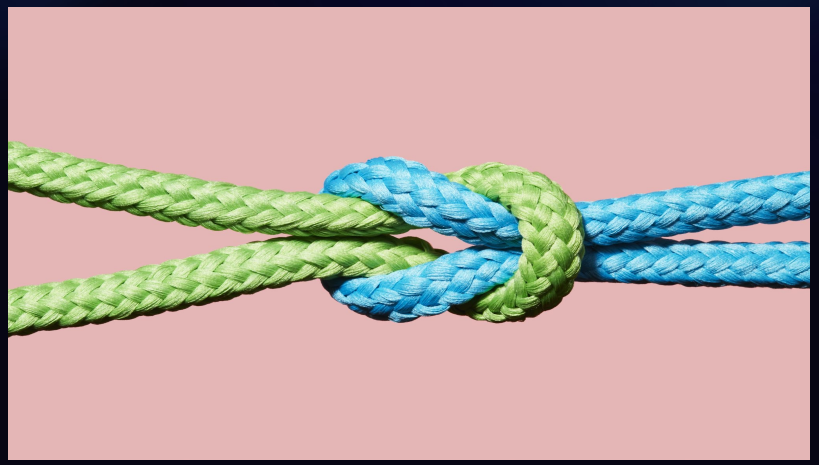
The MPU was lengthened to **24 months** in the 2025 Commercials Contract.



If performers demand renewal terms not aligned with the Contracts structures, producers can contact the union to facilitate discussions.

If producers believe a renegotiation didn't follow the Contract's structure, the JPC may bring it up with the IUSC for discussion.

Gives and Gets



Gives + Gets

Where we made concessions
and where we gained ground

Gives
Streaming rates increased
New premium tier for paid YouTube.com

Gets
Class A rates and cycle cap remain at 2022 rates
Traditional Digital remains at 2022 rates
Liability cap collapsed for social media + YouTube
All cable rates remain at 2022 rates
Low Budget Digital Waiver codified and extended without changes
Expanded editing rights for Advertiser Library

Gives + Gets

Where we made concessions and where we gained ground

Gives
3% increase to P&H (to 23.5%)

Gets
3.55% waiver for authorizers (to 19.95%)
40% Traditional Digital allocation
Clarification on agent/publicist/glam fees

Gives + Gets

Where we made concessions and where we gained ground

Gives
Austin as a preference zone
Added Chicago back as a major market for Wild Spot

Gets
Union must provide the JPC with a copy of any claim letter served on a JPC authorizer
Longer MPU of 24-months with a consistent start date for easier calculation
Merely having separate scripts and storyboards for S/L/S versions for archival/client records purposes does not automatically cause each S/L/S to be a “new” commercial. This does NOT mean you can shoot separate scripts and storyboards.

Artificial Intelligence



2025 Contract AI updates

Digital Replicas + Synthetic Performers



Digital Replica updates

- **48-hour notice:** Must provide a 48-hour notice before using or creating a Digital Replica
- **Consent:** Can obtain consent to generate performances before performers are engaged *(some exclusions apply); c*onsent can be obtained through the Digital Replica Rider added to a performer's employment contract or in a separate written agreement signed by the performer
- **Editing and Post:** May continue to use historical digital technologies, including AI components, to replicate or modify performers' voices, likenesses, and performances, in line with historical practices
- **Session fees:** If a Digital Replica is used to generate a performance that a performer would otherwise have performed, a 1.5 scale session fees for each commercial must be paid and one scale session fee may be applied to use fees
- **Use and Holding Fees:** Performers must be paid for a performance created by a Digital Replica, including all holding and use fees at scale



Synthetic Performer updates

- **Commercial with Synthetic and human performers:** When a Synthetic Performer is used in a commercial with at least 1 human OCP, the producer must pay 1.5 session fees and P&H contributions within 30 days of the first air date.
- **Commercial with only Synthetic Performers (no humans):** If a commercial uses only synthetic performers, the producer and SAG-AFTRA will negotiate the contribution amount in good faith.

Audio Commercials Contract



2025 Audio Commercials Contract updates

1

Collapsed Internet and New Media:

1. Traditional Digital
2. Digital Plus (i.e., Traditional Digital + streaming)

2

Updated rates and use fees:

- Year 1 increase of 5%
- Year 2 increase of 4%
- Year 3 Increase of 3%

3

MPU increased to 24 months from 21 months

Questions?

- Check out our educational materials + sign up for updates at jointpolicycommittee.org
- Follow us on LinkedIn at The Joint Policy Committee (JPC)
- Email:



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