

Studio Transportation Drivers,  
Teamsters Local #399

2005

COMMERCIALS AGREEMENT

LOCATION SCOUTS/MANAGERS

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Teamsters Commercials Agreement  
Location Scouts/Managers

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This Agreement dated as of the 1<sup>st</sup> day of August, 2005, by and between STUDIO TRANSPORTATION DRIVERS, LOCAL NO. 399 of the INTERNATIONAL BROTHERHOOD OF TEAMSTERS (“Local 399”), and the ASSOCIATION OF INDEPENDENT COMMERCIAL PRODUCERS, INC. (“AICP”), and is binding on those commercial production companies that have consented to be bound hereby (“Employer” or “Employers”).

Employer is engaged in the physical production of commercials pursuant to contracts with advertising agencies and/or advertisers intended for exhibition. Local 399 represents professional Location Scouts/Managers, many of whom work in the production of commercials.

Commercial production services the advertising industry by providing filmed and taped commercials for television, the internet, movie theaters and other screens. While the physical production processes of commercials parallels that of motion picture production, the process is creatively controlled by advertisers and their agencies whose requirements affect personnel selection, production schedules, work practices and budgets.

This Agreement is intended to recognize and address the special needs of the commercial production process. It is the intent of the parties hereto that this Agreement establish the wage and working conditions applicable to professional Location Scouts/Managers employed in the production of commercials.

ARTICLE I - RECOGNITION

The Employer recognizes Local 399 as the exclusive collective bargaining representative of professional Location Scouts/Managers employed by the Employer in the County of Los Angeles to perform services either within or without said County in the production of commercials. This Agreement is not applicable to production assistants, office clerical employees or guards as defined by the National Labor Relations Act.

Nothing in this agreement shall require the Employer to transport Location Scouts/Managers from the Los Angeles metropolitan area to another state.

## ARTICLE II - UNION SECURITY

Employees covered by this Agreement, as a condition of employment, shall become and thereafter remain members in good standing of Local 399 on and after the thirtieth day of their employment or thirty days following the execution of the Agreement, whichever is the later date. The foregoing shall be subject to and limited by the National Labor Relations Act and applicable State law and to the extent that any applicable State law does not permit the form of union security herein provided, then and in that event, this Agreement shall be deemed to provide for the maximum form of union security permitted by State law.

## ARTICLE III - MULTI-EMPLOYER UNIT

For purposes of the Industry Experience Roster provisions of Article VIII of this Agreement, employees hired by the Employer in the County of Los Angeles to perform services covered by this Agreement in the County of Los Angeles, or hired by the Employer in the County of Los Angeles to perform services outside said county shall be deemed to be within a multi-employer bargaining unit established by this Agreement. Employers agreeing to be bound to this Agreement shall be deemed to have consented to becoming part of such multi-employer bargaining unit.

## ARTICLE IV - NO DISCRIMINATION

The Employer and Local 399 agree that there shall be no discrimination against any employee or prospective employee due to race, color, creed, sex, age, physical handicap, union membership, or national origin, or as otherwise provided in applicable State or Federal legislation.

## ARTICLE V - GRIEVANCE PROCEDURE

Any dispute between the Employer on the one hand and Local 399 on behalf of itself or an affiliated Local Union and/or any covered employee(s) on the other hand concerning the interpretation and/or application of this Agreement which cannot be initially resolved between the parties shall be referred to the designated representatives of Local 399 and AICP for resolution. If they are unable to resolve the matter, it may be submitted to arbitration by either Local 399 or the Employer. If an arbitrator cannot be mutually selected, then one shall be selected by lot from an

arbitration panel obtained from the Federal Mediation and Conciliation Service. The arbitrator and parties shall follow the labor arbitration rules of the American Arbitration Association. Any claim not reduced to writing and submitted to the other party within forty-five (45) calendar days following the incident giving rise to the claim or within forty-five (45) calendar days after the affected employee(s), Local 399 or affiliated Local Union had a reasonable opportunity to become aware of the incident, whichever is the later, but in no event more than one year after the incident, shall be deemed to be waived.

#### ARTICLE VI - NO STRIKE - NO LOCKOUT

During the term of this Agreement, there shall be no strikes, picketing, or work stoppages by Local 399, affiliated Local Unions or by any covered employee, or lockout by the Employer. The Producer will not discipline any employee covered by this Agreement because of his refusal as an individual to cross a picket line, providing that such picket line has been sanctioned by the Joint Council of Teamsters, No. 42.

#### ARTICLE VII - ACCESS

The designated representatives of Local 399 shall be permitted reasonable access to all production sites where persons covered by the Agreement are performing services, subject to reasonable limitations (*e.g.* signing non-disclosure agreements) relating to the protection of design, patent or trade secrets and other confidential matters.

#### ARTICLE VIII - EMPLOYMENT OF LOCATION SCOUTS/MANAGERS

(a) Effective August 1, 2008, a Location Scout/Manager must be hired on any production for locations that are not self-contained. For the purposes of clarification a "self-contained location" includes, but is not limited to, the following:

- a) Studio lots;
- b) Warehouses;
- c) Stages;
- d) Filming Ranches; and/or
- e) Other locations with sufficient parking for the production other than on public streets.

(b) The Employer shall inform or instruct its payroll company to inform the Union, in writing, within ten (10) days (Saturdays, Sundays and holidays excluded) from the first day of employment pursuant to this Agreement, of the name and date of the first day of employment of any employee subject to this Agreement.

(c) The parties hereby establish an Industry Experience Roster, which will be maintained under this Agreement, composed of the names of employees subject to this Agreement who were employed as Location Manager/Scouts in the industry as of the signing of this Agreement and employees who thereafter satisfactorily fulfill all of the eligibility provisions set forth below, including the actual performance of services hereunder in the production of commercials in Los Angeles County or who have been hired hereunder in said county and performed such services outside said county. The physical maintenance of said roster shall be under the supervision of Local 399.

(d) i) Persons employed under the terms and conditions of this Agreement for thirty (30) days or more within a two (2) year period may, upon application to Local 399, have their name added to the Industry Experience Roster. The employees shall have the burden of establishing their eligibility for such Industry Experience Roster placement.

ii) During each year of this Agreement, the AICP may place up to five (5) individuals whom it certifies possess the skills and abilities of a Location Manager/Scout on the Industry Experience Roster.

(e) For Location Scout/Managers employed to work in Los Angeles County or employed in Los Angeles County to work outside said County, preference of employment shall be given to individuals named on the Industry Experience Roster. The Employer shall not be required to provide such preference of employment if the number of Location Manager/Scouts available for work on the first date of employment is fifteen (15) or less.

(f) It shall not be a violation of the preference of employment provisions of this Article for an employer to hire Location Manager/Scouts from the Industry Experience Roster established pursuant to the 2002 Producer and Studio Transportation Drivers, Teamsters Local #399 Location Managers Agreement (“LMA”) or its successor.

## ARTICLE IX - HEALTH, WELFARE & PENSION

(a) The provisions of Articles 12 (Health Plan), 13 (Pension Plan), 13A (Individual Account Plan), 14 (Retiree Health Plan), 14A (401(k) Plan feasibility study) and 22 (Contract Services Administration Trust Fund) of the 2002 Producer and Studio Transportation Drivers, Teamsters Local #399 Location Managers Agreement (“LMA”) and any successor agreement shall be applicable to employees hired by the Employer to perform services in the County of Los Angeles, or hired by the Employer in the County of Los Angeles to perform services outside the County of Los Angeles. Eight (8) hours of benefit contributions for travel days and idle days on overnight locations shall be made as provided in the LMA.

(b) The Employer will execute any documents required to constitute it an appropriate Employer contributor to the benefit plans specified in the LMA.

(c) During the term of this Agreement, the Pension and Health contribution rates will match those now in effect and as may later be modified in the Agreement between the AICP and the IATSE.

## ARTICLE X - MINIMUM TERMS AND CONDITIONS

The wage scales and working condition provisions of the Agreement shall be minimums and employees shall not be precluded from obtaining “better conditions” as that term is understood in the motion picture and television industry. Any employee enjoying such better conditions shall not have their wages or working conditions reduced as a consequence of this Agreement. The following language shall be included in all deal memos or personal service contracts: “All provisions of this deal memo (or personal service contract) are subject to and must provide no less than the terms and conditions of the Local 399 2005 Commercials Location Managers Agreement.”

## ARTICLE XI - WAGES

### (a) Daily Employees

All Location Scout/Managers shall be deemed to be daily employees. No Location Scout/Manager shall be deemed to be an independent contractor. Location Scouts/

Managers are considered exempt employees.

(b) Daily On Call Wage Rates

<b>Effective Aug. 1, 2005</b>	<b>Effective Aug. 1, 2006</b>	<b>Effective Aug. 1, 2007</b>	<b>Effective Aug. 1, 2008</b>	<b>Effective Aug. 1, 2009</b>
\$515.00	\$530.45	\$546.36	\$562.75	\$579.64

(c) Seventh Day

For all work on a seventh consecutive day on the same production, employees shall be paid one and one-half (1½) times their regular daily rate.

(d) The parties agree that employees covered by this Agreement are “engaged in the production of motion pictures” as that phrase is used in Section 201.5 of the California Labor Code.

ARTICLE XII - REST PERIODS

Location Managers should be entitled to a minimum nine (9) hour rest period between calls. Such rest period shall not be invaded unless specifically authorized by the Production Coordinator or an authorized representative of the Producer on such production. When the rest period is so invaded as authorized, the Location Manager shall receive an additional premium equal to one-half (½) of the applicable daily rate.

ARTICLE XIII - PSA, SPEC, LOW-BUDGET

This Agreement excludes Public Service Announcements, Spec Commercials and low budget commercials. Low budget commercials are defined as those which have a single-day production cost that does not exceed \$75,000 nor an aggregate cost of more than \$225,000. With respect to low budget commercials, wage rates shall be subject to individual negotiation, but the benefit provisions of Article IX shall be applicable. Where the producer maintains that a production is a low budget commercial as herein defined, it shall upon request of Local 399 provide verification of the budget for such production. Public service announcements are commercials produced for non-profit or governmental agencies to disseminate information or

promote services which serve the public interest. No commercial products, services or corporate names may be referenced or shown in PSAs.

#### ARTICLE XIV - HOLIDAYS

(a) Recognized holidays shall be the same as those designated in the then current Screen Actors Guild Commercials Contract: New Year's Day, Martin Luther King, Jr.'s Birthday, President's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, Christmas.

(b) For all work on Holidays, employees covered by this Agreement shall receive two (2) times their regular daily rates.

#### ARTICLE XV - LOCATIONS/TRAVEL

(a) Employees shall report to work at designated local production locations within the Studio Zone. The Studio Zone shall be the area within a circular thirty (30) mile zone, the radius of which shall be calculated from Beverly Boulevard and La Cienega Boulevard in Los Angeles, California.

(b) Employees on overnight locations shall be provided with a per diem allowance and either housing or a housing allowance.

(c) The Employer shall provide transportation to and from overnight locations. All travel by commercial jet shall be not less than coach class. All other travel by commercial carriers shall be by the best class available.

#### ARTICLE XVI - REIMBURSEMENT OF EXPENSES

(a) The Employer shall reimburse all employees covered by this Agreement for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, provided that expenditures other than ordinary and customary ones (*e.g.* parking) have been approved in advance by the Employer.

(b) Reimbursement for mileage traveled on behalf of the Employer shall be at the rate recognized by the Internal Revenue Service (currently 40.5¢ per mile).

(c) Reimbursement for use of the employee's kit (e.g., computer, cameras, printer, maps) shall be no less than \$50.00 per day.

ARTICLE XVII - TERM

The term of this Agreement shall be five (5) years commencing August 1, 2005 to and including July 31, 2010.

STUDIO TRANSPORTATION DRIVERS LOCAL 399  
OF THE INTERNATIONAL BROTHERHOOD OF  
TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN  
AND HELPERS OF THE UNITED STATES AND CANADA:

BY: \_\_\_\_\_  
Steve Dayan

ITS: Business Agent

DATED: \_\_\_\_\_

ASSOCIATION OF INDEPENDENT  
COMMERCIAL PRODUCERS, INC.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

DATED: \_\_\_\_\_

CONSENT AGREEMENT

The undersigned commercial production company has reviewed the 2005 Teamsters Agreement covering drivers and the 2005 Teamsters Agreement covering location managers/scouts negotiated by the Association of Independent Commercial Producers and the Studio Transportation Drivers, Local 399 of the International Brotherhood of Teamsters, and hereby agrees to be bound by the terms of such Agreements, to be part of the multi-employer bargaining units established pursuant to such Agreements, and to execute and abide by the terms of an appropriate Trust Acceptance necessary to implement the benefit provisions of the Agreements.

\_\_\_\_\_  
Employer (Name of Production Company)

BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

ITS: \_\_\_\_\_

DATED: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_

TELEPHONE: \_\_\_\_\_

FAX: \_\_\_\_\_