Ten-Year Local 399 Campaign Brings $500 Million Victory
Ten Year Battle

By Leo T. Reed

Ten years ago we began an intensive campaign to stop runaway productions. Our publication of July 1999 reported on a massive rally at the State Capitol. Local 399 members took 225 trucks — mostly 40-footers — to Sacramento to dramatize our efforts to keep California productions at home.

There were two bills pending before the legislature to provide subsidies to prevent runaway productions. The bills were approved by the appropriate assembly committees but were stalled by the Senate Appropriations Committee. Then Governor Gray Davis prevented the bills from being voted upon, in the hope that if ignored, they would go away.

Local 399 didn’t let the campaign slip. For ten long years it has kept the efforts alive and now we have achieved a victory. The revised state budget allows for $500 million over the next five years to keep film and TV productions in California.

This issue is crucially important to our local because as California jobs leave, our members suffer. In what proved to be a prophetic message, ten years ago I wrote that runaway production not only brings our members financial hardship, but also the effects trickle down to everyone.

“The motion picture industry probably spends more money than any other industry,” I wrote, “so if we’re not working, the little guy who owns a small business on the corner — like a liquor store or dry cleaners — also feels it. The restaurant owners feel it because they aren’t as busy. Suddenly, you go to places that used to be packed and anyone can walk in without a reservation. People need to understand that this issue affects all of us, not just the motion picture industry.”

The domino effect is well known now and at last the politicians are forced to listen. It is sad but this point is now truer than it was a decade ago. However, there is hope.

We feel the $100 million a year in subsidies is just the beginning. Remember that New York State ran out of incentive funds

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after spending $500 million in just two years. We will continue our efforts to compete with states and countries to level the playing field for film and TV productions. We don’t have to do this dollar for dollar. Other localities could give greater incentives, but we could still prevail because there is considerable cost savings in keeping productions in California where the studios and production facilities are first-rate.

Now, entertainment industry workers will not likely suffer so much. The passage of this tax credit incentive will help make California more competitive, and it will also save jobs that are being lost. The net result could be to generate much needed revenue for the state.

As always, your Local 399 leadership is committed to preserving the great strengths of our industry, one of the backbones of our state’s economy. We will not fail you.

The black and white photos shown in this issue were taken in Sacramento in 1999 and Century City in 2000.
Ten-Year Local 399 Campaign Brings $500 Million Victory

A ten-year effort by Local 399 to stop runaway productions was a significant factor in the California legislature’s vote to approve a $500 million tax credit to keep production in Southern California.

In June 1999 Secretary-Treasurer Leo T. Reed began the effort when he took hundreds of members and 225 trucks to a massive Sacramento rally. Its purpose was to support measures to provide subsidies to film and TV productions shooting in California. It was followed by an August 1999 rally in Century City to drive home the point that runaway productions pose serious and far-reaching problems.

During the ten years between the beginning of that effort and the recent victory in Sacramento, Local 399 — often acting alone — kept the issue alive. Using the expertise of California Teamsters lobbyist Barry Broad, Local 399 has continued to advocate legislation and rally support. Just three months ago, in a conference call with other Hollywood unions — including SAG and the DGA - Local 399 Director of Government Affairs Tom Marchetti rejected a unanimous recommendation by the Hollywood locals to “drop the matter” and unilaterally decided to continue the effort.

Now the other Hollywood unions are trying to take credit for the $500 million victory. “Local 399 has done ten times more than other unions in the battle to stop runaway productions,” declared Secretary Treasurer Leo Reed. “A decade ago we set up a speakers’ podium on the steps of the State Capitol and woke up the legislature with our message: keep California jobs in California, and keep union members working.”

The 1999 rally had a specific purpose. There were two bills before the assembly that, if passed, would have provided tax incentives for productions using California workers. All the Teamsters wanted then was for our elected officials to do what Canada and many other US states were doing — provide subsidies in order to level the playing field.

Ten years ago those measures failed. Despite the health of the California economy, the legislature didn’t think saving Hollywood jobs rated as a priority. Local 399 joined a Century City protest when it participated in a massive rally to keep production in California.

The legislature wasn’t listening then and it didn’t for a whole decade. Local 399 however used a well-tested and successful strategy: when you’re in a hurry, go slowly and steadily. In Sacramento and Los Angeles Local 399 began a campaign that never stopped. The leadership worked with elected officials to try to remedy the situation where working men and women in the entertainment industry were losing jobs.

In a steady and determined way Local 399 worked with the Teamsters International organization to keep the issue alive. Strong support came from the Teamsters Vice Presidents from California, Jim Santangelo, Randy Cammack and Chuck Mack. They used all their considerable political influence to further the cause.

On February 20 of this year, Governor Arnold Schwarzenegger signed legislation creating tax credits for film and television productions

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From Variety Magazine February 23, 2009

California budget provides biz boost

By Carl DiOrio

California finally is offering production incentives. That surprising reality had industry and economic execs pinching themselves Thursday.

“I’m sort of floored that it did happen,” said Jack Kyser, chief economist with the Los Angeles Economic Development Corp. On Tuesday, an LAEDC forecast said runaway film and TV production would undermine industry employment during the next several years, largely because of the proliferation of film and TV tax incen- continued on page 67
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as part of an economic stimulus provision in the revised state budget. Over the next several weeks, the California Film Commission will be developing program guidelines and application procedures.

The measure seemed unexpected and caught many by surprise — but not Local 399. To the leadership this is finally the successful conclusion to a long-time effort.

"It is not perfect but it certainly will help," said Secretary-Treasurer Leo Reed. "The infrastructure is here and it’s logical to keep productions here. But this is not the end of our effort." Reed stresses that this tax credit doesn’t benefit the loyal productions that actually stayed in California. "The producers who resisted the temptation to go elsewhere and protected Teamster jobs here should also participate."

Shown from left to right after the legislative victory are Secretary-Treasurer Leo T. Reed, California Teamster lobbyist Barry Broad, and Local 399 Director of Government Affairs Tom Marchetti.

What The Measure Provides:
The production incentives program, to be regulated through the California Film Commission, features three key provisions:

— Studio film projects shooting for less than $75 million can apply for a tax credit amounting to 20% of all “qualifying production expenses” — essentially below-the-line costs.

— Independent film productions of $1 million-$10 million and all TV series relocating to California will qualify for a 25% tax credit.

— Productions must locate in the state for 75% of shooting days or spend three-fourths of the project’s budget in California.
Teamsters Local 399 would like to see the passage of the Hollywood

Governor Arnold
Assembly Speaker
Senate President Pro
Assembly Minority
Former Senate Minority
Executive Director, CA Film

And most importantly, the hardworking Basic Crafts that worked so hard

Now the real job begins: I
thank those most responsible for Film Production Tax Incentive.

Actor Schwarzenegger

Director Karen Bass

Emcee Darrell Steinberg

President Mike Villines

Treasurer Dave Cogdill

Commission Amy Lemisch

Thanking members of Local 399 and the local unions for their hard work for so many years for this day.

Keeping productions home!

WOOD
January Membership Meeting

Members at the January membership meeting. Meetings are held quarterly in April, July, October, and January. They are scheduled for Sunday mornings from 8 a.m. to 10:30 a.m. at Pickwick Gardens, 1001 Riverside Drive in Burbank. See www.hollywoodteamsters.org for further details.
Retiree “Mongo” Recalls Backflips and Chess with Brando

“I’m so grateful to the VA and to Local 399,” says retired Teamster James Dunne from his hospital bed at the Long Beach Veteran’s Hospital. “Thanks to my excellent benefits I’m getting excellent care.”

“But I don’t think my doctor is too happy with me lately,” adds Dunne with a chuckle. Dunne, who is better known in the movie industry and the tandem sky-diving world as “Mongo,” reports that he recently antagonized his doctor by going to the polls on November 4 while he was supposed to be recovering in bed.

“I had to vote. And I have nothing but time so I know I’ll recover,” Mongo says with characteristic energy and humor in his voice. While Dunne will recover from his most recent minor surgery, he was forced into early retirement in April, 2000 after he was found unconscious with a core temperature of 83 degrees. Now partially paralyzed, he relies on a motorized wheelchair for mobility.

While neither he nor his physicians can explain how or why he was found in such a state, Dunne remains positive, happy to reminisce about his life in the industry.

“Mongo will always be one of the great characters in Hollywood Teamster history. His sense of humor and stories from on the set bring a smile to everyone’s face.”
— Secretary-Treasurer Leo T. Reed

Mongo became a card-carrying Teamster in 1980. He initially worked with Transportation Coordinator David Haughen, “We both knew military speak,” remembers Mongo, who served in the United States Marine Corps, Special Forces.

In his time as a driver and a set dresser, he worked with many Hollywood greats including Bette Midler, James Kahn, Johnny Depp, George C. Scott, Peter Falk (as Colombo) and Marlon Brando.

“Brando wanted to know if I played chess. I did. And we sure had fun.”

Mongo became a tandem sky-diving master in 1986 “because it’s a fun way to take people up and share the skydiving experience with rookies.” Happy to get his listeners’ blood pumping, he tells some heart-pounding stories about these jumps.

He once took a school teacher on a backflip out the door. “She said she wanted to do something exciting,” he recounts with a smile. He also recalls literally hanging out — in midair — with a Mexican Army serviceman as the 60-knot wind blew harder than the laws of gravity could pull. “As we sat there he yelled up to me that he was getting his money’s worth.”

“That’s the way that I feel about my work as a Teamster and my time in the air. I’ve sure got my money’s worth.”

Remember to Check Your Union Website: www.hollywood-teamsters.org
Local 399 member Donald Harback passed away on October 18 after a sudden heart attack. He is survived by his wife, Linda and son, Greg.

“Don became a Teamster in 1975,” remembers Linda. “I can’t say enough about what being a Teamster meant to my husband and my family. He always had excellent pay and benefits. We were very well taken care of.”

Don and Linda met when they were 14 years old. They married in 1970 on Valentines Day when both Linda and Don were just 19.

Donald Steven Harback began his three decades-long Teamster career as a mechanic for Twentieth Century Fox. Fellow Local 399 members recall their hours on the clock with him fondly.

“Don was a really good man and a good boss for his fellow members. He was fair and he put his crew first.”
— Local 399 Member
Charlie Winzer

“Don Harback did what so many of our members do, he worked hard and did a good job, he took care of his family and he was proud to be a Teamster.”
— Secretary-Treasurer
Leo T. Reed

“Don was a sweet, soft-spoken man. The kind of guy who always brought his own lunch,” remembers Teamster Nikki Grosso, a frequent employer of Don and a family friend. “He was just a great guy.”

“Don was a very regular kind of guy,” explains Local 399 mem-

“Don didn’t send the mechanic with the cast home; he found a way to keep me at work. That’s just the kind of guy he was — always taking care of his people in the garage.”

“And he loved his job,” Chouinard adds. “When we were doing The Fall Guy, Don would stay there all night, happily working on the custom-built jump truck. That truck got his name in a few magazines.”

“I miss Don a lot,” Linda Harback says. “But I feel very lucky to have spent 45 years with my soul mate. And my son Greg had 31 years with his father. We’ve got some great memories to share.”