



DGA INDEPENDENT FILMMAKERS

Lee Daniels directing *Precious*

Jason Reitman directing *Juno*

Nicole Holofcener directing *Enough Said*

Ava DuVernay directing *Selma*

Darren Aronofsky directing *The Wrestler*

Morgan Spurlock directing *The Greatest Movie Ever Sold*

It's YOUR film.

The Directors Guild of America
is a powerful force that can
help you realize your vision
regardless of budget.

*Find out what the
DGA is all about.*



GREETINGS FROM DGA PRESIDENT PARIS BARCLAY

Dear Filmmaker:

The day you've thought about and planned for and dreamed of for years is finally approaching. You've got your script and your cast. You've put together financing that ranges somewhere between small and tiny. You're about to make a movie.

As a director, your responsibilities range from every creative choice you make during filming to being a responsible steward of your budget to taking care of the cast and crew that depend on you. It's a hefty responsibility and sometimes a daunting task, but you're not alone. The Directors Guild of America is here to stand behind you in the protection of your creative and economic rights.

As an independent filmmaker, you might think that you're not eligible for the protections and benefits of being a DGA member – that your film has to have a certain budget, or be released in a certain way, in order to qualify. Thankfully, that's not true. The DGA is the home to all filmmakers, and that's been true since the very beginning.

To the filmmakers who founded our Guild in 1936, being a director meant that you were ultimately responsible for everything that happened on your film, and therefore should be entitled to certain rights. It didn't matter if your project was large or small, genre picture or blockbuster. If you were a director willing to take on all of the challenges of bringing your vision to the screen, you became a member of a very special community – a community that the DGA was established to protect and promote.

For nearly 80 years, the DGA has stood behind those ideals and built a reputation for fighting on behalf of all of our members. This includes our independent film director members for whom the DGA pioneered contracts designed specifically for low-budget pictures. These contracts are continually being revised to meet new needs as they emerge – making it possible for every director to make his or her film a DGA film, regardless of the budget. The Guild draws strength from this arrangement as well. The fresh perspectives, energy and talent of new members are indispensable to the vitality and growth of our organization.

We support our members working in this arena by protecting their rights, as well as providing them with the flexibility to do projects they are passionate about. The Guild's Independent Directors Committees are a concrete embodiment of this commitment. These Committees – one based in New York and the other based in Los Angeles – host regular gatherings for independent and low-budget directors who are Guild members, as well as outreach activities for those who have not yet joined. The Committees also established the successful Director's Finder Screening Series which regularly showcases unreleased independent films directed by DGA members. I'm proud to say a growing number of the films that we have screened have secured distribution through our screening series.

In addition, the Guild has ongoing partnerships with independent film organizations and is a sponsor and active participant in many festivals and events, including the Sundance Film Festival, Sundance Producers Conference and Directors Labs, Slamdance Film Festival, Outfest, SXSW Film Festival, Film Independent, Los Angeles Film Festival, Pan-African Film Festival, LA Asian Pacific Film festival, Urbanworld, IFP, the American Film Market, International Documentary Association and others.

I hope this brochure will give you some insight into why becoming a DGA member is the right move for you. In addition to the tangible creative and economic advantages DGA membership provides, it is important to remember that the Directors Guild has been, and continues to be, the home for all filmmakers.

Yours,

Paris Barclay
President
Directors Guild of America



Dee Rees



Valerie Faris &
Jonathan Dayton

"As the traditional structures of television and film production evolve, it's more important than ever for directors to know their creative rights. At every stage of production, the DGA is there when you need them most, to make sure you and your work are protected."

– Jonathan Dayton and Valerie Faris

WHAT IS THE DGA?

In 1936, a small group of outstanding filmmakers, hoping to achieve proper recognition and creative freedom for directors, created the Screen Directors' Guild (the forerunner of today's Directors Guild of America). These founding members realized that only through unity and organization could they attain the bargaining power needed to establish basic economic and creative standards for all directors.

Since its establishment, the Guild has won numerous protections that enhance the economic and creative lives of our members on a daily basis — benefits such as the right to a Director's Cut, fixed time periods for postproduction, guaranteed compensation, residuals, and health and pension benefits.

Throughout its history, the Guild has campaigned for legislation to protect the Director's original theatrical presentation from alterations, vigorously pursued collections owed to its members from studio and production company bankruptcies and filed suits over discriminatory hiring practices.

As a member of the DGA, you are guaranteed certain benefits. These benefits fall into several broad categories: creative rights, residuals, pension and health coverage, contractual and legal protection, seminars, and membership in a creative community of filmmakers.

THE BENEFITS OF DGA MEMBERSHIP

CREATIVE RIGHTS

Under DGA contracts, you are guaranteed the right to be actively involved in all aspects of the filmmaking process. This includes everything from selecting your First AD to being afforded a designated period of time to cut your picture without interference and the right to deliver your Director's Cut to the producer. For instance: Did you know that as a DGA director you cannot be terminated once you have completed principal photography?

PENSION AND HEALTH PLANS

The DGA Pension and Health Plans are among the very best available anywhere. Once you become eligible by achieving the requisite minimum earnings each year, you are able to provide high-quality health protection for yourself and your loved ones, and also build toward your future retirement.

CONTRACTUAL AND LEGAL PROTECTION

DGA contracts guarantee members certain basic rights in regard to compensation, working conditions and creative rights. The Guild staff assists members in resolving disputes with employers over these and other matters. Claims may arise under the Guild's collective bargaining agreements, the member's personal services agreements, or state and federal law. Most often, Guild field representatives, executives or other Guild departments are able



Catherine Hardwicke



Jason Reitman



Lee Daniels



Mary Harron

"It's a shame I didn't know about the DGA Low Budget Agreement when I made Pi and Requiem for a Dream. Residuals would have been great."
– Darren Aronofsky



"The DGA is the thread that guides me in and out of the Labyrinth everytime."

– Guillermo del Toro



Miranda July



"In the old days, I must admit, I was frightened of the DGA, because I was frightened of all unions. Today, I have no interest in making a non-union movie. The best technicians are all in the unions. I joined with Cry Baby and have certainly been very enthusiastic ever since."

– John Waters

to settle disputes by giving advice to members and/or discussing the problem with employers. If these avenues do not lead to a solution, a member's dispute may be referred to the DGA's Legal Department or to outside counsel who will, if necessary, take the claim to arbitration, enforce an arbitrator's award in court, or, on rare occasions, take the claim directly to court. Members receive free representation from attorneys with a great deal of knowledge and experience, and can often avoid the expense and delay of personal litigation. The Guild's legal services do not, however, extend to individual contract negotiations, general legal advice, profit participation, or services rendered other than as a DGA member.

RESIDUALS

DGA contracts also protect your right to share in the revenues generated from the sale and distribution of your work beyond its initial release platform. These revenues are called residuals, and they are paid to DGA directors following a film's theatrical run for its subsequent exploitation in other markets. Residuals represent significant income for DGA filmmakers, and are one of the greatest financial advantages of being a DGA member.

Residuals aren't based on a film's profitability. Rather, they are based on the distributor's gross revenue for video-on-demand, pay television, pay-per-view, basic cable, new media and free television; and on the employer's gross for DVDs.

The DGA's Residuals Department monitors industry compliance with the reuse provisions of the DGA's negotiated agreements. Annually, members receive more than \$340 million from reuse of their work. Residuals collections have totaled well over \$2 billion since 2000. Additional millions are collected internationally through the Guild's Foreign Levies Program and our agreements with collection societies around the world.

The DGA aggressively enforces these agreements worldwide with computerized policing systems, various audit programs and claims mechanisms which target distributors who fail to meet their obligations under the bargaining agreements. When necessary, the Guild will, on behalf of members, bring claims to arbitration, and represent members' residuals interests related to bankruptcy filings and library acquisitions. By working with the Guild, even productions with the lowest budgets have been able to meet residuals obligations. For further information, and help in answering any questions about residuals, contact the Residuals Department.

DIRECTOR'S FINDER SCREENING SERIES

Since December 1998, the DGA has been screening independent films made under DGA agreements that do not currently have a U.S. distributor or previous TV or home video distribution. Designated the *Director's Finder Screening Series*, the project is the brainchild of the Independent Directors Committee West and has been broadened to include feature films directed by DGA members before they joined the Guild.

The films are chosen by lottery and screened in the DGA theaters in Los Angeles and New York City at no cost to the filmmaker. The Guild announces each screening to our membership via the *DGA Monthly* and sends invitations to potential distributors.

Since the *Director's Finder Screening Series* was initiated, the Guild has screened more than 175 independent films. Of those films, approximately 50% have gone on to secure distribution that otherwise may not have. A number of participating filmmakers have directly acknowledged the *Director's Finder Screening Series* as providing the key screening which eventually led to their films being picked up.

A CREATIVE COMMUNITY OF FILMMAKERS

Guild members have regular and frequent opportunities to meet each other, network and share experiences, information and knowledge. "We have a very active, informed and highly collegial membership," comments National Executive Director Jay D. Roth. "Thanks to your Guild membership, you will be introduced to your fellow directors, as well as the highly professional assistant directors and unit production managers of the DGA, and form lasting business associations with Guild members and with the Guild itself."

The DGA hosts numerous seminars, workshops and cultural events each year via our various Committees, Councils and Special Projects Department. These have included: workshops on digital filmmaking, music licensing, casting, production scheduling and budgeting, visual effects/pre-visualization work and working with actors; seminars on independent filmmaking; mixers with IFTA member companies; special film screenings; and tributes/retrospectives of the work of renowned directors. These programs are designed to heighten the profile of directors and their teams within the industry, help our members stay abreast of the latest trends in the art and craft of filmmaking and allow them to add new skills or brush up on old ones.

West Coast Independent Directors Committee Co-Chairs Jonathan Dayton and Valerie Faris emphasize the critical importance of the DGA when it comes to protecting the creative rights of independent filmmakers. "As the traditional structures of television and film production evolve, it's more important than ever for directors to know their creative rights. At every stage of production, the DGA is there when you need them most, to make sure you and your work are protected." They further note that the DGA's *Creative Rights Handbook* is a particularly good resource for filmmakers: "Look up the Creative Rights checklists on www.dga.org. As they say, "Use them or lose them!"



Penelope Spheeris



"As far as the Low Budget Agreement goes, if you call as soon as you start thinking about a project the Guild will bend over backward to make it happen. There are also protections the Guild can provide that an independent filmmaker really can't generate. I would encourage any independent filmmakers out there who are not Guild members to explore what being in the DGA means and what it can provide for them."

— Steven Soderbergh



Kimberly Peirce



Gurinder Chadha



Rodrigo Garcia



"Regardless of the source of financing — a group of dentists or a major studio — the word 'independent' should refer to a spirit of filmmaking. An 'independent film' is one that tries to do something unique, that feels as though it comes from one person, that possesses authorial voice and doesn't pander to what are perceived as commercial exigencies of the moment. We're talking about personal cinema, really, regardless of scope or budget. The DGA exists to support that spirit of filmmaking."

— Alexander Payne



Miguel Arteta



"What comes to mind is, 'all things great and small...' that's what the DGA is all about."

— Michael Apted, IDC Co-Founder

HOW THE DGA IS ADDRESSING THE CONCERNS OF THE INDEPENDENT FILM COMMUNITY TODAY

What is the DGA's New Low Budget Agreement?

In response to the changing economics of low-budget filmmaking, the Directors Guild of America regularly reviews and updates our Low Budget Agreement (LBA). The DGA's LBA now covers narrative and documentary films intended for theatrical or home video/DVD release with budgets of up to \$11 million. The Agreement is structured in four levels:

- **Level 1:** Films produced for up to \$1,100,000;
- **Level 2:** Films with budgets greater than \$1,100,000 and less than \$2,600,000;
- **Level 3:** Films made for more than \$2,600,000 but less than \$3,750,000; and
- **Level 4:** Films made for more than \$3,750,000 but less than \$11,000,000.

This Agreement clearly defines how a film will be categorized for residual payment purposes before production even starts. This is important because it has become increasingly difficult for an independent producer to determine what the primary release platform — theatrical, home video/DVD/new media, etc. — will be for a particular film until it is completed and screened for potential distributors.

"Our Low Budget Agreement is remarkably flexible, particularly at the lowest tiers," says DGA Western Executive Director G. Bryan Unger. "We think the LBA is a good deal for producers and our members, as well as a great way to bring new directors into the family. Our goal is to make the LBA a realistic option for films of any budget. One call to the DGA can clear up many misconceptions and provide information on how the Guild can be an ally in getting your film made."

Another advantage of working under a DGA Agreement is the talented DGA UPMs and ADs who can help you bring your project in on time and under budget. And we have DGA members local to shooting locations around the world who will not only save you money on travel and accommodations, but will also help you qualify for regional tax incentives.

How Does the DGA Support Independent Distribution and New Media?

With the greater ease of making a movie digitally have come new challenges in terms of getting it distributed. The Guild's Independent Directors Committees have developed an ongoing *Think Tank* focused on alternative means of distribution. In collaboration with key players in the production, distribution and exhibition worlds, the *Think Tank* continues to make inroads toward developing new models that can economically and creatively benefit DGA indie directors.

DGA's Associate Western Executive Director Jon Larson says, "As filmmakers face unprecedented challenges in terms of being recognized in a crowded marketplace, the Guild also provides a crucial forum through which our members can stay informed about evolving strategies to finance, distribute, brand, and finally protect their work in the digital age." At the same time, the Guild is actively signing new media agreements that take into consideration the economics of internet production, while safeguarding our members' interest in residuals as these projects migrate to other markets.

FREQUENTLY ASKED QUESTIONS

How do I join the DGA?

As a director, you must either be hired by a signatory company to direct a project or develop a feature length project and make your company/project signatory. On a very select, case-by-case basis, a director who has directed feature films that have bona fide theatrical releases in the United States and have received significant critical acclaim and/or commercial success may be invited to join. In the latter case, the director's membership application is subject to special review by the appropriate Director's Council.

How much is initiation?

The initiation fee for directors joining on low-budget (under \$11 million) narrative and documentary features is \$3,500, with 40% payable up front and the remainder paid out over a year. The regular (non-low-budget) initiation fee is \$11,015 (updated annually on July 1). If you join as a low-budget director, you simply pay the additional \$7,515 when you do a "regular" project.

How much are dues?

Guild dues are based on DGA earnings. Earnings are reportable, and the corollary dues payable, quarterly. Each member pays basic dues of \$50 per quarter. Basic dues are credited against each member's obligation to pay percentage dues equal to one and one-half percent (1½%) of his or her gross earnings from employment in any Guild category, provided that such dues shall be payable only on gross annual income of between \$10,000 and \$300,000. In addition, each Guild member also pays dues on one percent (1%) of the total residuals of all types he or she receives pursuant to employment under a DGA collective bargaining agreement.

If I am a member of the DGA and want to make a low-budget or no-budget feature, documentary or new media project, does it have to be covered under a DGA contract?

Yes.

Do I have to hire a full DGA staff?

Usually. However, the DGA will consider reduced staffing on a case-by-case basis, but you must contact the Guild to discuss this issue before you start production.

What are the pay rates?

The minimum salaries for directors and their teams are budget-dependent. Under the Guild's low budget agreement, these minimums are percentages of the "scale" rates in the DGA Basic Agreement governing higher budget films and television productions.

Other waivers of basic minimums apply to each budget level; for example, there is no vacation or unworked holiday pay due until Level 4c. Please see the DGA website for a complete copy of the Low Budget Agreement and for Rate Cards with percentages of scale conveniently calculated for each budget level: www.dga.org/contracts/

LEVEL	BUDGET CAPS	DIRECTOR SALARY	AD and UPM SALARIES
Level 1a	\$0-\$500,000	Negotiable	Negotiable
Level 1b	\$500,000 - \$1,100,000	Negotiable	33% of scale
Level 2	\$1,100,000 - \$2,600,000	Negotiable	50% of scale
Level 3	\$2,600,000 - \$3,750,000	\$75,000	60% of scale
Level 4a	\$3,750,000 - \$5,500,000	75% of scale*	70% of scale*
Level 4b	\$5,500,000 - \$8,500,000	75% of scale	80% of scale
Level 4c	\$8,500,000 - \$11,000,000	90% of scale	90% of scale

*The Guild will consider waivers of the minimum salary for Directors making their first feature length film.

If I am a director member living outside the U.S., is it possible for my feature films shot outside the U.S. to be covered under a DGA agreement?

Yes. The Guild has developed an international agreement specifically designed to address the needs of directors living and working outside the United States and/or who are citizens of other countries. Please contact DGA staff for more information.

Who can I contact for more information?

Filmmakers or employers who would like more information on the benefits of Guild membership and working under the DGA's Low Budget Agreement should contact:

Jon Larson in LA:
310-289-5325

Mike Ryan in NY:
212-258-0810



Mike Mills



Amy Berg



Mark Duplass (left) & Jay Duplass



Alex Gibney



Lynn Shelton



Jamie Babbit



Davis Guggenheim



Richard Linklater

"Many independents, like myself, work in isolation and are not accustomed to being part of a large group. Before I joined the Guild, I felt like I was floating on a raft all by myself, surrounded by sharks. It's hard to see, particularly as a young filmmaker, that the Guild has been dealing with directors' concerns for many years and can help pull you off that raft and onto the boat."

— Charles Burnett



The DGA Independent Directors Committees — the IDC West (based in Los Angeles and established in 1998), and the IDC East (based in New York and created in 2002) — are composed of director members actively working in independent film who seek to:

- help the Guild develop policies, programs and activities that better serve the needs of DGA members who work in the independent and low-budget film arenas,
- reach out to independent film directors who are not yet members of the Guild to raise their awareness of the benefits of DGA membership, and
- educate independent film producers about the DGA's low-budget agreements and encourage their active use.

IDC West Members

Michael Apted
Jamie Babbit
Charles Burnett
Patricia Cardoso
Lisa Cholodenko
Jonathan Dayton
Valerie Faris
Stephen Gyllenhaal

Catherine Hardwicke
Neil Labute
Mary Lambert
Mark Pellington
Jason Reitman
David O. Russell
Penelope Spheeris

IDC East Members

Marilyn Agrelo
Dan Algrant
Brad Anderson
Darren Aronofsky
Neil Burger
Raymond DeFelitta
Tom A. DiCillo
Griffin Dunne
Alex Gibney

Mary Harron
Marc Levin
Alison MacLean
Joshua Marston
Jim McKay
Mira Nair
Nancy Savoca
Steven Soderbergh
Rose Troche