Know Your Contract: Non-Dramatic Subscription Streaming (SVOD) Terms

As part of the DGA’s ongoing efforts to educate members on recent contract gains, in this installment we highlight Non-Dramatic Subscription Streaming (SVOD) Terms for Directors, Associate Directors and Stage Managers.

In an industry first, the DGA negotiated for minimum economic terms and conditions for high budget non-dramatic programs made for SVOD, a top priority for our members working on non-dramatic programs. While our members working on non-dramatic network television programs enjoy excellent minimum terms and conditions, those same terms did not previously apply to similar programming for SVOD. As a result of our new agreement, this is no longer the case.

High budget non-dramatic programs made for SVOD will now require minimum terms. Under the agreement, there are two tiers of covered programs: the higher budget (Tier 2) programs will generally enjoy the terms applicable to network non-prime time shows, while Tier 1 programs will generally receive network prime time terms.

For Reality Directors, the rate will remain negotiable. Importantly, however, producers will now be prohibited from crediting residuals against their initial income except above 200 or 250 percent of scale depending on the budget. The rates for Directors of Quiz and Game programs—a genre which has not yet found any real footing in SVOD—will remain negotiable as we monitor the development of this genre.

We also significantly expanded the number of shows eligible for residuals. Previously, a show below $25,000 per minute did not pay residuals for SVOD reuse. Now all shows above the Tier 1 threshold will pay residuals, and the residuals will now be shared with Associate Directors and Stage Managers.

New Non-Dramatic Terms

Minimum terms and conditions now apply to high budget Variety, Quiz and Game, and “All Other” programs made for Subscription Streaming (SVOD). The 2023 DGA FLTTA significantly increases the number of programs that will now pay residuals.

Some of other Non-Dramatic gains include:
- Pay will increase from 150% to 200% for work on holidays and 7th days for all Associate Directors and Stage Managers.
- Elimination of Non-Primetime Production Fee cap
- Residuals will be shared by Directors and Directorial team members.

See the new tiers for High Budget Non-Dramatic SVOD Programs in the chart featured right.

High Budget Non-Dramatic SVOD Programs (Variety, Reality, Quiz and Game, “All Other”)

<table>
<thead>
<tr>
<th>Tier 2 Budgets*</th>
<th>Program Length</th>
<th>Tier 1 Budgets*</th>
</tr>
</thead>
<tbody>
<tr>
<td>$600,000+</td>
<td>20-35 Minutes</td>
<td>$1,100,000+</td>
</tr>
<tr>
<td>$1,150,000+</td>
<td>36-65 Minutes</td>
<td>$2,000,000+</td>
</tr>
<tr>
<td>$1,500,000+</td>
<td>66-95 Minutes</td>
<td>$2,500,000+</td>
</tr>
<tr>
<td>$2,200,000+</td>
<td>96 Minutes+</td>
<td>$3,200,000+</td>
</tr>
</tbody>
</table>

*Network Non-Primetime Terms

Residuals Apply to all High Budget SVOD Programs (Tier 1 and Tier 2)

SVOD Residuals are allocated 83.3% to the Director, 8.35% to the AD(s) and 8.35% to the SM(s). These terms apply to seasons (for series) and specials starting principal photography after October 1, 2023. For a series that started principal photography of season 1 or 2 before October 1, 2023, the terms apply to seasons 3 onward.

For Directors Only

Director Salaries for High Budget Reality Programs, Quiz and Game Programs, and “All Other” Strip-type Programs remain negotiable, but the negotiated salary cannot be used to credit or offset residuals, unless it is specified in the deal memo and above the following rates (current through June 30, 2024):

<table>
<thead>
<tr>
<th>NO CREDITING OF RESIDUALS BELOW</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-35 Minutes</td>
</tr>
</tbody>
</table>

Reality - Per Episode
- Tier 1: $13,962; Tier 2: $11,635
- Tier 1: $18,810; Tier 2: $15,675
- Tier 1: $23,643; Tier 2: $19,703
- Tier 1: $28,476; Tier 2: $23,730

Quiz and Game - Per Episode
- Tier 1: $11,292
- Tier 1: $14,580
- Tier 1: $16,754
- Tier 1: $16,754

Quiz and Game - Per 5/week Strip
- Tier 1: $17,774
- Tier 1: $20,990
- Tier 1: $24,210
- Tier 1: $24,210

“All Other” - Per 5/week Strip
- Tier 1: $17,774
- Tier 1: $21,138
- Tier 1: $24,514
- Tier 1: $27,890

The above chart is intended as a summary only. For more information in Los Angeles please contact DGA Assistant Executive Director Pearson Woods at (310) 289-2067, pwoods@dga.org. For more information in New York contact DGA Associate Eastern Executive Director Michael Berger at (212) 258-0802, mberger@dga.org.

Want to help other DGA members learn more about their rights and contracts? Join the Outreach Team. To find out more about the Outreach Team, please email outreachteam@dga.org.