

DGA INDEPENDENT FILMMAKERS



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.



JJ West directing *In a Valley of Violence*



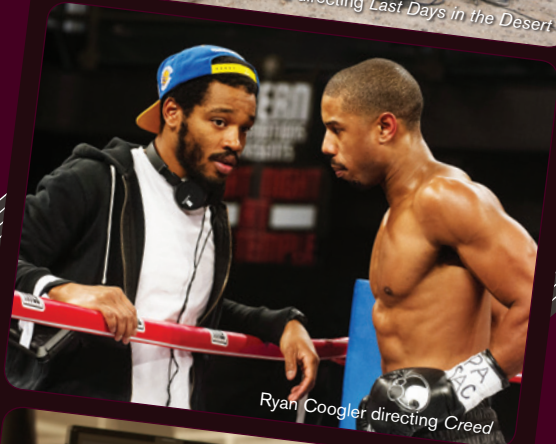
Nicole Holofcener directing *Enough Said*



Dee Rees directing *Mudbound*



Rodrigo Garcia directing *Last Days in the Desert*



Ryan Coogler directing *Creed*



GREETINGS FROM DGA PRESIDENT THOMAS SCHLAMME

Dear Filmmaker:

What is independent filmmaking today? Traditionally, independent films are those that are produced outside of the studio system. More realistically, in the current landscape, with streaming services, day and date releases and ever-changing distribution models, independent has taken on a feeling of otherness – something not mainstream.

And here you are. You've made a movie that caught attention and it's playing at a festival or maybe you've been lucky enough to secure a distribution deal. As a director, you may think your responsibilities end once the film is completed. Ideally, you've handled every creative choice during pre-production, through production and into post. Now it's time to get your film out there and find out what's next, beyond this project.

You might ask yourself whether or not you're eligible for the protections and benefits of being a DGA member. Many people in the indie film community believe that your film has to have a certain budget, or be released in a certain way, in order to qualify to join. Thankfully that's not true. The DGA is the home to all serious 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 fighting 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 over 80 years, the DGA has stood behind those ideals and built a reputation for fighting on behalf of all 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 their 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 independent film 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. The Committees have also established the very successful *Director's Finder Screening Series*, which regularly showcases unreleased independent films directed by DGA members for an audience of independent distributors. I take great pride in saying that many films we have screened in this series have found distribution that otherwise may not have.

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 and its Directors Lab, Slamdance Film Festival, Outfest, SXSW Film, Film Independent/Los Angeles Film Festival and the American Film Market. Additionally, the DGA's Diversity Committees also sponsor the LA Asian Pacific Film Festival, Pan-African Film Festival and Urbanworld.

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.

Sincerest regards,

Thomas Schlamme
President
Directors Guild of America



"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."

— Valerie Faris and Jonathan Dayton

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 post-production, 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.

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 to settle disputes by giving advice to

"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



Penelope Spheeris



James Ponsoldt



Karyn Kusama



Alexander Payne

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

— Guillermo del Toro



Kyle Patrick Alvarez



Jamie Babbit



"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

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.

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, blu-rays and digital downloads.

The DGA's Residuals Department monitors industry compliance with the reuse provisions of the DGA's negotiated agreements. Annually, members receive more than \$350 million from reuse of their work. Residuals collections have totaled well over \$3.5 billion since 2005. 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.

The films are chosen on a “first-come, first-served” basis, as long as all qualifications are met, 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 over 200 independent films. Of those films, more than half 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

As part of an active and informed membership, Guild members have regular and frequent opportunities to meet one another, network and share experiences, information and knowledge. These opportunities are not just director to director, but alongside fellow Guild members, including assistant directors and unit production managers.

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; 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.

Independent Directors Committee Co-Chairs Valerie Faris and Jonathan Dayton 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!’”



Ava DuVernay



“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



Mary Harron



Zal Batmanglij



Dan Algrant

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

What is the DGA's 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 covers narrative and documentary films intended for theatrical or home video/DVD/new media (including SVOD, AVOD, EST) 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.

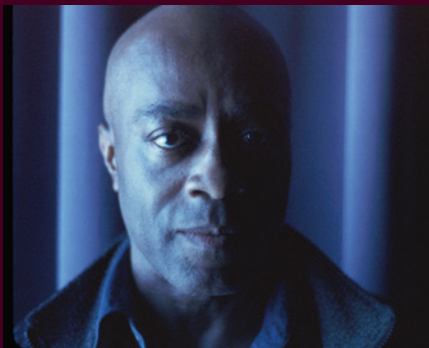
This Agreement clearly defines how a film will be categorized for residual payment purposes before production even starts. This is important because it has become increasingly difficult for an independent producer to determine what the primary release platform — theatrical, home video/DVD/new media,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

The DGA's LBA is incredibly flexible, specifically at the lowest tiers, allowing producers the opportunity to work with the Guild and new talent to join the membership. It is a realistic option for films of any budget.

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?

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. The Guild is actively signing new media agreements that take into consideration the economics of digital production while safeguarding our members' interest in residuals as these projects migrate to other markets.



"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



Neil LaBute



Alison MacLean



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

— Michael Apted, IDC Co-Founder

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.

How much is initiation?

The initiation fee for directors joining on low-budget (under \$11 million) narrative and documentary features is \$3,500, which can be payable in installments over time. The high-budget initiation fee is \$11,978 (updated annually on July 1). If you join as a low-budget director, you simply pay the additional \$8,478 when you do a high-budget project.

How much are dues?

Guild dues are based on DGA earnings. Basic dues are \$50 per quarter, which is credited against the member's obligation to pay one and one-half percent (1 1/2%) of his or her gross earnings. Additionally, each Guild member pays dues on one percent (1%) of total residuals he or she receives.

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?

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. 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:

Mayra Ocampo in LA:
310-289-2006
Rachel Paster in NY:
212-258-0801



Mike Mills



Miguel Arteta



Anna Boden & Ryan Fleck



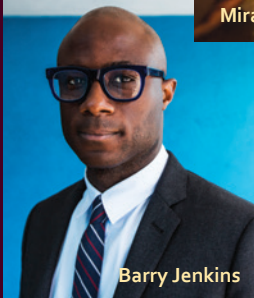
Lynn Shelton



Alex Gibney



Mira Nair



Barry Jenkins



Richard Linklater



Thomas Schlamme, *President*



Russell Hollander, *National Executive Director*

The DGA Independent Directors Committees — the IDC (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.
- Educate independent film producers about the DGA's low-budget agreements and encourage their active use.

IDC Members

- | | |
|----------------------|--------------------|
| Kyle Patrick Alvarez | Stephen Gyllenhaal |
| Michael Apter | Barry Jenkins |
| Jamie Babbit | Karyn Kusama |
| Zal Batmanglij | Mike Mills |
| Charles Burnett | James Ponsoldt |
| Mike Cahill | Jason Reitman |
| Patricia Cardoso | Lynn Shelton |
| Jonathan Dayton | Penelope Spheeris |
| Valerie Faris | |

IDC East Members

- | | |
|-------------------|------------------|
| Dan Algrant | Mary Lambert |
| Darren Aronofsky | Marc Levin |
| Anna Boden | Alison MacLean |
| Neil Burger | Joshua Marston |
| Raymond DeFelitta | Jim McKay |
| Griffin Dunne | Mira Nair |
| Ryan Fleck | Dee Rees |
| Alex Gibney | Nancy Savoca |
| Mary Harron | Rosemarie Troche |

"Personal filmmaking will always be vulnerable. As the landscape changes and the options drop from few to less, it becomes easier to consider settling when it comes to your directorial rights. Don't be bullied. Independent doesn't mean you have to stand alone."

— Jason Reitman