## Sideletter No. 19

## SIDELETTER RE HALF-HOUR SERIES SYNDICATED IN MARKETS REPRESENTING 50% OR FEWER OF U.S. TELEVISION HOUSEHOLDS

As of July 1, 2002; Renewed as of July 1, 2005; Renewed as of July 1, 2008; Renewed as of July 1, 2011; Revised as of July 1, 2014; Revised as of July 1, 2017

Carol A. Lombardini President Alliance of Motion Picture and Television Producers 15301 Ventura Boulevard, Building E Sherman Oaks, California 91403-5885

Re: Experiment in Syndication of Half-Hour Series in Markets Representing 50% or Fewer of U.S. Television Households

## Dear Carol:

Reference is made to the provisions of Article 7., Section B.1.(b) of the FLTTA. During the 2002 negotiations, the Employers expressed a concern that if a series could only be syndicated in markets representing 50% or fewer of the U.S. television households, residuals payable pursuant to Article 7., Section B.1.(b) of the FLTTA would render such syndication fiscally untenable. The Employers asserted that the payment of any residuals in such circumstances would benefit both the Employer and the individual directors since no payments are presently made.

While the DGA expressed concern that an accommodation might be subject to abuse or otherwise reduce overall syndication residuals, the parties agreed to an experiment for the term of the 2002 Agreement, to be reviewed each successive term, to determine its effectiveness and whether or not it should be extended. The parties have agreed to renew the experiment for an additional term commencing July 1, 2017 and terminating June 30, 2020. Employers agree to provide the DGA with license fee information at the time of the first payment hereunder.

When a half-hour series is syndicated in markets representing in the aggregate fifty percent (50%) or fewer of U.S. television households, residuals for such series shall be payable at twenty percent (20%) of the "applicable minimum" under the FLTTA for each such run but shall not constitute a "run" for purposes of Article 7., Section B.1.(b) of the FLTTA.

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If the series is further syndicated and the aggregate of the markets in which the series is syndicated exceeds fifty percent (50%) of the U.S. television households, the payments required pursuant to Article 7., Section B.1.(b) of the FLTTA shall be due on any subsequent runs.

This experiment will only apply to series that have not yet been placed into syndication as of July 1, 2002.

Very truly yours,
DIRECTORS GUILD OF AMERICA, INC.
By:
Russell Hollander
National Executive Director

## **ACCEPTED AND AGREED:**

The respective signatory companies represented by The ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS, INC.

By:_		
	Carol A. Lombardini	
	President	