For more than 50 years,

Contract Services has served as an invaluable partner to the motion picture and television industry, preparing a workforce of over 45,000 individuals and ensuring that vital behind-the-scenes functions are carried out safely, smoothly and efficiently.

From acclaimed industry-wide safety training to full administration of the Industry Experience Roster, as well as housing an assortment of other support services, Contract Services relieves a substantial burden on Producers in California and beyond by serving as a "one-stop shop" to meet a wide array of contractual, legal and regulatory requirements.

As a nonprofit organization performing these tasks under a single roof, we create meaningful cost efficiencies for the entertainment industry while maintaining an unparalleled standard of excellence. And as the industry grows and evolves, Contract Services is keeping pace every step of the way.

A Note About Our Name

In the mid-1960s, the major film studios, in negotiations with Hollywood’s unions, founded the nonprofit Contract Services Administration Trust Fund to administer apprenticeship and other training and safety programs, maintain seniority rosters, and carry out other industry-wide services, studies or education. Our name, while straightforward and descriptive, was lengthy for an industry prone to the use of acronyms. As such, we have been referenced throughout much of our history as CSATF/CSATTF (the second “T” stands for training), a dual abbreviation that represents our administration and training identities. Today, we are known simply as Contract Services.
The year 2016 ushered in a new era for Contract Services marked by geographic, physical and service expansion. By many metrics, 2016 was our most productive year since I began leading the organization in 2005, and one of the most consequential years in our history.

Since our founding in 1965, Contract Services has served behind the scenes as a vital backbone of the entertainment industry and an indispensable partner to its Producers, unions, guilds and employees. We at Contract Services are proud of our evolution to keep up with the industry’s needs, helping ensure that workers are safety-trained, skilled in their crafts and compliant with labor and government requirements – while passing along significant cost savings achieved by our unique economies of scale.

Our work in 2016 continued our path toward these objectives. In an effort to continue building a culture of safety throughout the industry, Contract Services engaged our labor and management partners throughout the U.S. and internationally to share best practices and make our gold-standard Safety Pass training available to more crews.

Amid a substantial increase in demand for our services, Contract Services outgrew our main headquarters building in Burbank, and in 2016 we expanded into a second facility next door, designed expressly to help us continue fulfilling our mission. This move tripled the number of classrooms available to provide safety and skills training, added space for computer labs to facilitate online courses, and afforded outdoor training space for hands-on instruction with large equipment.

Accompanying our new facility has been an increase in our safety and skills courses, while others are now offered in an online format to reach a broader group of workers. These developments helped us reach a remarkable milestone in 2016: over one million hours of safety training provided under our Safety Pass program! Additionally, Contract Services reached an agreement with IATSE Local #80, which provided a union contract for our Safety Pass instructors. Plus, the addition of labor-management negotiated services in 2016 has us taking on a greater role than ever for our industry partners.

Finally, this annual report is also a milestone in itself – it’s the first of its kind in our organization’s history. We had so much good news over the course of the year that we had to share it with our partners, colleagues and friends. Keep your eyes on Contract Services as we continue to serve and strengthen the best production workforce in the world!

Sincerely,

Ingrid Lohne

From the Chief Administrative Officer

Ingrid Lohne
Chief Administrative Officer,
Contract Services
On behalf of Contract Services and its Board of Trustees, I welcome you to the organization’s first-ever annual report. This report is designed to tell the story of Contract Services in 2016, which reached new heights serving and strengthening the entertainment industry – one of California’s most important economic engines and one of America’s greatest exports to the world.

As you will see in these pages, Contract Services has responded with skill and agility to meet the industry’s growing needs and the increased requirements of the Collective Bargaining Agreements between production studios and the unions representing production workers. Our comprehensive long-range planning will ensure that we continue meeting tomorrow’s needs, as well.

In my more than 30 years of experience serving on the Board of Contract Services, I believe the organization has entered its most exciting period to date. Thank you for your interest and support.
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2016 IN REVIEW

78,339 TOTAL HOURS OF TRAINING

THE HIGHEST NUMBER OF TRAINING HOURS IN OVER A DECADE.

31% INCREASE FROM 2015

ONE MILLION+
TOTAL TRAINING HOURS SINCE INCEPTION OF SAFETY PASS

78,339 TOTAL HOURS OF TRAINING

THE HIGHEST NUMBER OF TRAINING HOURS IN OVER A DECADE.

32 SAFETY PASS COURSES PROVIDED

26,666 TOTAL TRAINING ATTENDANCE

ACROSS 32 COURSES

3,104 CLASSES COMPLETED AT CONTRACT SERVICES’ TRAINING FACILITY

33,699 TOTAL LOBBY WINDOW VISITS

10,622 FORMS I-9 PROCESSED

15 CLASSROOMS

2 COMPUTER LABS

IN OUR NEW BURBANK TRAINING FACILITY

Contract Services
NEW TRAINING FACILITY

One of Contract Services’ greatest achievements in 2016 was the opening of a modern new training facility at 2710 Winona Ave., conveniently located next door to our Burbank headquarters. This purpose-built facility is enabling us to meet the growing demand for our services, with a total of 83,000 square feet of classrooms, computer labs for those without online access, staff offices and other work spaces – four times the space previously available.

Our new facility offers 15 lobby windows to better serve our clientele as well as an expanded outdoor training area to accommodate additional hands-on scissor lift and aerial boom lift courses, scaffold use and fall protection instruction, and forklift training. A five-level garage provides free, off-street parking for visitors, the number of which will climb steadily in coming years with a rise in training mandates. We were pleased that our transition into this expansive new space proceeded smoothly over the July 4 holiday weekend, requiring us to be closed for just a single workday.

“...We were very impressed by the strong commitment of the movie industry to worker safety, as evidenced by your excellent training program and facilities. I have no doubt that through the training Contract Services provides, many, many injuries have been prevented, and probably lives have been saved as well.”

—Letter from David Michaels, PhD, MPH, Assistant Secretary, Occupational Safety and Health Administration, U.S. Department of Labor
Our widely recognized Safety Pass program ensures that workers meet industry safety standards as well as stringent regulations set by the Occupational Safety and Health Administration (OSHA), Cal/OSHA and other government agencies. We consider it a serious responsibility to ensure that production professionals are trained to a high and consistent standard in order to be as safe a workforce as any in the world. This function continues to grow in order to keep up with training demands throughout the industry.

Contractually-mandated safety training is the single largest task Contract Services performs. We provide everything from the classroom and facility space to in-house design of course materials to development of experienced instructors from the ranks of industry veterans. This training also serves as the foundation for additional employer-led training.

Course offerings have grown from 21 courses in 2003 to 32 courses in 2016, with another five in development. Topics include general safety, hazard communications, lighting safety, and respiratory protection, while our hands-on training courses teach fall protection, forklift operation, excavation and trenching, cribbing and rigging, and much more.

In 2016, we provided 78,339 hours of safety training — up nearly a third from the previous year, and the most hours in over a decade. Total annual
attendance for Safety Pass courses was 26,666. This brought the
total safety training provided by Contract Services to over one mil-
lion hours, delivered to approximately 60,000 people.

Also in 2016, Contract Services expanded our geographic footprint
beyond the Los Angeles Studio Zones, partnering with entities
throughout the U.S. and Canada to share best practices and make
our Safety Pass training available to more production workers.

Refresher Training
Promoting workplace safety for the benefit of all industry profes-
sionals is a critical priority of the motion picture and television in-
dustry. Industry unions and Producers negotiated Refresher Train-
ing – a requirement to retake required Safety Pass courses on
a periodic basis – because they agreed that maintaining current
knowledge of industry-related safety practices is important. The
roll-out of this training is already underway, with behind-the-scenes
workers “refreshing” the online “A” – General Safety/IIPP and “A2”
– Environmental Safety courses. Soon after the “A” and “A2” cours-
es, Refresher Training will commence for intensive courses invol-
v ing hands-on instruction, as well as additional courses provided in
online format.

By 2028, Refresher Training is expected to account for

1.5 MILLION
HOURS OF TRAINING,
filling nearly
630,000
SEATS
– equal to more than
11 sold-out crowds
at Dodger Stadium.
TRAINING FUND PARTNERSHIPS

Contract Services partners with other industry organizations to bring Safety Pass courses to a broader audience through additional formats. By working together, we can enlarge our reach and our impact while building a stronger culture of safety throughout the industry.

Directors Guild of America Training

As part of the Safety Pass program, Contract Services, in collaboration with the Directors Guild-Producer Training Plan (DGPTP), designed a safety course specifically for Directors Guild of America (DGA) members. The resulting safety course consists of Contract Services’ “A” course as well as instruction regarding production safety that is tailored to the role of Unit Production Managers, Assistant Directors, Stage Managers and Associate Directors.

Additionally, Contract Services and the East Coast-based Assistant Director Training Program Trust Fund collaborated to develop a separate East Coast course for Assistant Director Training Program–New York (ADTPNY) participants. This safety training covers specific laws and issues common to filming in the New York/New Jersey region.

Nearly 4,000 DGA members have accounted for over 11,000 hours of training received under these two courses since they were first offered.
International Alliance of Theatrical Stage Employees

Beginning in 2016, Contract Services partnered with the IATSE’s Entertainment & Exhibition Industries Training Trust Fund (IATTF) to provide Safety Pass training to eligible industry workers. Currently, the “A” – General Safety/IIPP course and the “A2” – Environmental Safety course are being offered online, furthering the education of basic workplace health and safety to industry workers nationwide.

CRAFT-SPECIFIC SKILLS TRAINING

In addition to Safety Pass training, we also connect eligible industry employees with craft-specific skills training to enhance their proficiencies in such areas as graphic arts, digital editing and electrical design.

Skills training is offered in partnership between Contract Services and other entities. Courses may be provided by Producers, a local union or a vendor. In all cases, Contract Services reviews and approves proposals to ensure they meet content and quality standards, and funding for such courses is allocated by Contract Services.
CRAFT-SPECIFIC SKILLS TRAINING
continued

In 2016, we approved 350 Local-provided training proposals, for which 187 courses were held. Some courses were offered numerous times in multiple classes.

Additionally, 42 vendors were approved to provide courses that teach the skills needed by industry workers to remain current in their craft and competitive in the marketplace. Seventy-five courses were held, with some offering multiple classes.

We also introduced Producer-provided hands-on skills training for industry drivers in the following six courses: Vehicle Inspection, Coupling and Uncoupling, Permitting, Weight Distribution, Load Securing and Air Brake Operation.

OTHER TRAINING PROGRAMS

Contract Services also allocates funding for training required under Collective Bargaining Agreements for individuals to either maintain or upgrade to a higher job classification on the Industry Experience Roster, as is the case for Local #706 – Make-up Artists & Hair Stylists. The Make-up Artist Training Series and Hair Stylist Training Series, administered by Contract Services, are designed to provide a detailed study of proper technique relevant to the respective craft and to outline the essential qualities of being a Make-up Artist Journeyperson or Hair Stylist Journeyperson.

As it has since 1965, Contract Services also funds apprenticeship programs established by Collective Bargaining Agreements between Producers and the International Brotherhood of Electrical Workers, Local #40. The Wireman (Electrician) Apprenticeship Program is a five-year program consisting of classroom instruction and approximately 10,000 hours of on-the-job training, while the Heating, Ventilation, Air Conditioning (HVAC) Mechanic Apprenticeship Program is a four-year program consisting of classroom instruction and approximately 8,000 hours of on-the-job training. These programs are administered by the Joint Apprenticeship Committee, which is comprised of management and labor representatives.
INDUSTRY ROSTERS

One of Contract Services’ most vital services on behalf of the entertainment industry is maintaining and administering the Industry Experience Roster (IER), New Media Roster (NMR) and Television Commercial Roster (TCR). These rosters are critical employment tools to help production leaders access trained and qualified employees, while providing these professionals with an accreditation that reflects their training completion and experience working on television and film productions and commercials. In total, these rosters cover approximately 40,000 individuals spanning 125 job classifications represented by 14 unions.

ADDITIONAL SERVICES

Beyond the tasks already listed, Contract Services carries out a wide variety of additional services required by the Collective Bargaining Agreements between Producers and unions. Demand for our full range of services led to a total of 33,699 lobby window visits in 2016.

I-9 Employment Eligibility Documentation

The Immigration Reform and Control Act of 1986 requires employers to verify the identity and United States employment eligibility of all employees by reviewing acceptable documentation and completing the Form I-9. In its ongoing
effort to serve the motion picture and television industry, Contract Servic-es maintains the Form I-9 information for individuals listed on the Industry Experience Roster. Industry employers have the option to use this information in fulfilling their Form I-9 obligations, relieving the individual of the responsibil-ity of completing a separate form for each employer.

In 2016, we performed 10,622 Form I-9 verifications.

Teachers Availability and Dual Credential Substitute Lists

Due to an agreement between the Producers and the IATSE Local #884 – Motion Picture Studio Teachers & Welfare Workers, Contract Services main-tains and administers the Teachers Availability List (TAL), which includes the names of those qualified to serve as Studio Teachers on motion picture and television productions.

We also administer the Dual Credential Substitute List (DCSL), which in-cludes individuals who have the same State of California teaching creden-tials and supporting documentation as those needed for presence on the TAL but not the work experience and training within the motion picture and television industry.

As of 2016, Contract Services performs background checks of each individual on the TAL and DCSL no less than annually and prior to each new placement. We also perform quarterly California Teaching Credential checks of each indi-vidual on the TAL and DCSL.
Controlled Substances and Alcohol Testing Programs

Under federal rules, workers with a commercial-class driver license who perform safety-sensitive functions must undergo drug and alcohol testing. Contract Services acts as a consortium for the random testing of eligible workers, such as individuals on or applying for the Industry Experience Roster for Local #399 – Studio Transportation Drivers. Contract Services administers pre-employment, follow-up, return-to-duty, post-accident and reasonable suspicion testing as needed, and coordinates with the Substance Abuse Professional as required by federal regulation.

This testing program is instrumental in helping employers comply with regulations promulgated by the U.S. Department of Transportation and the Federal Motor Carrier Safety Administration.

Reimbursement Programs

Contract Services provides reimbursements for certain costs associated with employment-related certifications and other licensing requirements of behind-the-scenes motion picture and television employees. Examples include exam cost reimbursements for driver licenses and medical examiner’s
certificates for the industry’s commercial drivers, reimbursements for Emergency Medical Technician certificates for those industry employees working as motion picture and television first-aid employees, and license renewals for Special Effects professionals.

Industry-Wide Labor-Management Safety Committee

The Industry-Wide Labor-Management Safety Committee was formed in 1965, which was actually five years prior to the creation of OSHA. The committee is comprised of the IATSE and its West Coast Local Unions, the Basic Crafts Unions, SAG-AFTRA, the Directors Guild of America, and representatives of the Producers.

This safety-focused group meets monthly to discuss a wide range of topics that affect the industry and is also tasked with developing industry guidance through its widely read Safety Bulletins, Guidelines and Informational Fact Sheets, which have become foundational tools for building a culture of safety in the motion picture and television industry.

Contract Services serves as the administrator of this committee, and through our Production Affairs and Safety Department we house the Management Co-Chair.
PREPARING FOR THE FUTURE

Nothing in the entertainment industry stands still for long. This dynamic business continues to expand and innovate, driven by demographic shifts, technological advances and economic mandates. We believe Contract Services’ progress and investments made in 2016, and in previous years, have positioned us to meet growing industry demands and remain a valuable industry partner for the future.

Specifically, we are prepared to efficiently and economically address a variety of upcoming requirements that will create even greater demands on our services.

**Industry-Wide Refresher Training**

As referenced earlier in this report, contractually mandated Refresher Training began in July 2016 and will grow dramatically. Over the next 12 years, it is expected to account for 1.5 million hours of Safety Pass training, filling nearly 630,000 seats.

**Industry-Wide Harassment Prevention and Reporting Training**

Producers and industry unions have agreed to new harassment prevention and reporting training, which will meet the standards of California and federal law and ensure safe, reliable work environments for production crews, while reducing the number of incidents to which employers must respond. To fulfill the governmental requirements and agreement, Contract Services is developing online training courses to be delivered in 2-hour and 1-hour formats (for supervisors and non-supervisors, respectively) to 40,000 individuals over the next two years. Based upon negotiated requirements, we anticipate a combined 60,000 hours of training will be completed on a repeating two-year cycle.

**Additional Collective Bargaining Agreement Requirements**

In recent contract negotiations, Producers and industry unions agreed to new requirements, which Contract Services will perform on behalf of the parties. One example is a new requirement for background checks of Studio Teachers.
A SOUND RETURN ON INVESTMENT

As always, Contract Services will meet these increasing demands at the highest level of quality while providing a substantial savings of time and resources for both workers and the employers. Centralizing and consolidating these many services under one roof lowers costs, eliminates redundancy, and relieves significant burdens from Producers. As a result, production crews and studios can focus on what they do best: creating film and television magic for the world to enjoy.
OUR KEY PARTNERSHIPS

Companies
• ABC Studios
• CBS Studios Inc.
• Fox Entertainment Group
• Paramount Pictures
• Sony Pictures Entertainment
• Universal
• Walt Disney Studios
• Warner Bros. Entertainment

Unions and Guilds
• Directors Guild of America
• International Alliance of Theatrical Stage Employees (IATSE)
  - Local #44, Affiliated Property Craftspersons
  - Local #80, Motion Picture Studio Grips & Crafts Service
  - Local #600, International Cinematographers Guild
  - Local #695, I.A.T.S.E. Production Sound Technicians, Television Engineers, Video Assist Technicians and Studio Projectionists
  - Local #700, Motion Picture Editors Guild
  - Local #705, Motion Picture Costumers
  - Local #706, Make-Up Artists and Hair Stylists
  - Local #728, Studio Electrical Lighting Technicians
  - Local #729, Motion Picture Set Painters and Sign Writers
  - Local #800, Art Directors Guild
  - Local #839, The Animation Guild and Affiliated Optical Electronic and Graphic Arts
  - Local #871, Script Supervisors/Continuity, Coordinators, Accountants & Allied Production Specialists Guild
  - Local #884, Motion Picture Studio Teachers and Welfare Workers
  - Local #892, Costume Designers Guild
• International Brotherhood of Electrical Workers, Local #40
• Plasterers, Local #755
• Screen Actors Guild - American Federation of Television and Radio Artists (SAG-AFTRA)
• Southern California District Council of Laborers and its affiliate, Studio Utility Employees, Local #724
• Studio Transportation Drivers, Local #399 of the International Brotherhood of Teamsters
• United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, Local #78

Other Partners
• Alliance of Motion Picture and Television Producers (AMPTP)
• Assistant Director Training Program Trust Fund - New York (ADTP-NY)
• Association of Independent Commercial Producers (AICP)
• Cast & Crew Entertainment Services, LLC
• Directors Guild - Producer Training Plan (DGPTP)
• Entertainment Partners
• IATSE Training Trust Fund (IATTF)
• Motion Picture Association of America (MPAA)
• Motion Picture Industry Pension & Health Plans (MPI)