An Open Letter to VFX Artists and the Entertainment Industry at Large

Visual Effects Society: 2.0

As an Honorary Society, VES has led the way in promoting the incredible work of VFX artists but so far no one has stood up to lead the way on the *business side* of our business. No one has been able to speak out for unrepresented artists and facilities – or the craft as a whole – in any meaningful way.

It should not come as a surprise to anyone that the state of the visual effects industry is unsettled. Artists and visual effects companies are working longer hours for less income, delivering more amazing VFX under ever diminishing schedules, carrying larger financial burdens while others are profiting greatly from our work. As a result, there has been a lot of discussion recently about visual effects and its role in the entertainment industry. Many feel VFX artists are being taken advantage of and many others feel that VFX facilities are operating under unsustainable competitive restraints and profit margins. There have been calls for the creation of a VFX union to represent artists' interests while others have pushed to create a trade organization for VFX facilities to better navigate today's economic complexities.

As globalization intensifies, the process of creating visual effects is becoming more and more commoditized. Many wonder if the current business model for our industry is sustainable over the long term. Indeed, multiplying blogs are questioning why artists are forced to work crazy overtime hours for weeks or months on end without health benefits and VFX facilities are forced to take on shows at a loss just to keep their pipelines going and their doors open (they hope).

As good as we are at creating and manipulating amazing and ground breaking images, VFX professionals have done a terrible job of marketing ourselves to the business side of the industry. In short, no one has been able to harness the collective power of our efforts, talents, and passions into a strong, unified voice representing the industry as a whole.

VES may not have the power of collective bargaining, but we do have the power of a voice that's 2,400 artists strong in 23 countries -- and the VES Board of Directors has decided that now is the time to use it. We are the only viable organization that can speak to the needs and concerns of everyone involved in VFX to meet the challenges of a changing global industry and our place within it.

The work we do helps a lot of people make a lot of money, but it's not being shared on an equal basis, nor is the respect that's due us, especially considering that 44 of the top 50 films of <u>all time</u> are visual effects driven (http://www.imdb.com/boxoffice/alltimegross).

For VFX ARTISTS (NOT computer geeks, NOT nerds), we do not receive the kind of respect that measures up to the role visual effects plays in the bottom line. And that's expressed in a number of very obvious ways:

- Credits we are frequently listed incompletely and below where we should be in the crawl.
- Benefits in the US, you likely do not have ready access to health care. Or a vision plan. Or a pension plan.
 Outside the US, unless you're a citizen of a country with national health care, you likely do not have health care coverage either. Or have the ability to build hours for your pension. Or are eligible to receive residuals. On a UNION show we are the ONLY department that is not union and therefore not receiving the same benefits as everyone else on the set.
- Working conditions if you are a freelancer (it's generally agreed that almost half of all visual effects workers are freelancers), because you are not covered by collective bargaining, you may be forced to work 70 100 hour weeks or months on end in order to meet a delivery date. And for that privilege (in the U.S.) you will also likely be considered an Independent Contractor and have to file a 1099 and then pay the employer's share of the tax contribution.

Many small to medium-sized VFX companies around the world are struggling to survive (or have gone out of business – (RIP Café FX, Asylum, Illusion Arts and many others). By now almost everyone in the industry is familiar with the quote from a few years ago by an unidentified studio executive that if he 'didn't put at least one VFX company out of business on a show, he wasn't doing his job.'

The concern exists at every level of the VFX chain -- artist, facility and studio – how the impact of a "Fix" would affect the industry. Would it drive work elsewhere? Would it cut into the dwindling profit margins of VFX companies and put them out of business? Would it make VFX artists unhireable?

No matter one's perspective, the interests of VFX artists can no longer be ignored.

In the coming weeks and months, VES will shine a spotlight on the issues facing the artists, facilities and studios by way of editorial pieces in the trades and VFX blogs, virtual Town Hall meetings, a VFX Artists' Bill of Rights and a VFX CEO's Forum (for the companies that actually provide the jobs that everyone is working so hard to safeguard).

There are solutions and we will find them.

We want the studios to make a respectable profit. We want facilities to survive and thrive in this ever changing fiscal environment. And we want artists to have high quality jobs with the commensurate amount of respect for the work they do on a daily basis. Therefore, VES will take the lead by organizing meetings with all participants in our industry in which we will make sure that all the issues discussed above are put on the table.

We are the VES and the time to step up has arrived. VES 2.0 is here and ready to lead.

If you'd like to share a comment with us you can contact us at either <u>leadership@visualeffectssociety.com</u> or through the leadership forum on the VES website at: http://www.visualeffectssociety.com/forums/ves-leadership-forum.

Stay tuned!

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