SAN FRANCISCO OPERA AND MUSICIANS UNION RATIFY NEW THREE-YEAR CONTRACT AGREEMENT

Both Parties Praise Important New Agreement, New Media Opportunities

SAN FRANCISCO (August 1, 2011)—The San Francisco Opera Association and members of the American Federation of Musicians Local 6 today jointly announced they have successfully negotiated a new three-year contract agreement effective August 1, 2011. The labor agreement provides an increase in the weekly rate of pay, and stable employment of 28 weeks a year (including paid vacation) for the 69 members of the San Francisco Opera Orchestra in exchange for contractual changes that provide the Opera Association both current savings and new flexibility in reducing expenses.

Coinciding with this new contract, Local 6's international parent union, the American Federation of Musicians, joins San Francisco Opera in announcing the conclusion of a separate, new Integrated Media Agreement that covers the creation and distribution of audio and audio-visual media.

Both contracts were ratified by the San Francisco Opera Orchestra on July 22 after three months of negotiations.

The Local 6 Agreement calls for rate increases of two percent in the first year and three percent in each of the final years of the agreement, and an increase in the Electronic Media Guarantee from $2375 in the expiring Agreement to $5000 by 2013, while providing more than $1 million in savings each year to the San Francisco Opera through changes to compensation and healthcare structures.

The Integrated Media Agreement contains important new provisions that will enable San Francisco Opera to more fully realize the potential of its in-house high-definition media center. These provisions

will improve the ability of San Francisco Opera and its musicians to produce, promote and distribute opera recordings through all media platforms, including DVDs and CDs as well as television, cinema and the internet.

This new phase of media activity is pending the approval of other unions, including the American Guild of Musical Artists, which is currently negotiating with San Francisco Opera.

This is an important and historic media agreement for both parties as the new provisions allow for distribution of increased digital products in more flexible ways, both of newly filmed operas and archival material, according to San Francisco Opera General Director David Gockley and Deborah Newmark of the American Federation of Musicians.

"As new media evolve, we will now have the ability to evolve with them and meet the changing needs of our audiences," said Gockley. "Opera may come from 'the Old World,' but this agreement clearly takes us into the new world and enables us to further entertain, educate and enchant new generations of opera lovers."

"The American Federation of Musicians has been working with symphony, opera and ballet institutions across the country to modernize and streamline the terms and conditions governing media creation and distribution," said Newmark. "We applaud San Francisco Opera for working with us to face the future of media in ways that benefit the public, the Opera and the musicians."

In addition to changes in the electronic media framework, the new Orchestra contract calls for:

- The union members to move to the same healthcare plan in which administrative members of San Francisco Opera participate.

- A new structural model for compensation that ties annual compensation to the work schedule.

- Adjustments to leave provisions that will help ensure that musicians are utilized more regularly for available services, while maintaining competitive leave provisions for musicians.

- A new educational framework that will enable San Francisco Opera to utilize musicians in its in-school programs.

- A commitment from San Francisco Opera to improve working conditions for musicians as well as improvements to the musicians' injury prevention program and instrument loan program.

"I want to thank the musicians and their negotiating committee," said David Gockley, "The new agreement with Local 6 is important in protecting the livelihood of our very talented musicians and in preserving the long-term health of our opera company. The musicians fully appreciated the economic reality that is impacting so many arts organizations nationally, and they worked with complete professionalism and collegiality throughout. They are a great credit to this organization."

Bill Holmes, Chairman of the San Francisco Opera Orchestra's Negotiating Committee said, "Our goal was to preserve the guaranteed weeks of work and a guaranteed annual compensation that would continue to attract the finest musicians in the world. We were able to achieve these goals, thanks to the creativity and flexibility displayed by all the parties involved in these negotiations. This agreement will ensure that San Francisco will continue to enjoy world class opera into the future."

Both parties said they kept in mind the financial constraints of San Francisco Opera, which has faced deficits in the last two seasons. The new Agreement is a major step towards attaining a more stable fiscal operating model for the company.

San Francisco Opera's negotiating team included David Gockley, Matthew Shilvock, Michael Simpson, Clifford "Kip" Cranna, Beth Sinclair and Nahry Tak, with legal counsel from Nick Geannacopulos of Seyfarth Shaw. San Francisco Opera Orchestra's negotiating team included Musicians Union Local 6 President David Schoenbrun and orchestra members William Holmes, Steven D'Amico, Thalia Moore, Larry Ragent, Joy Fellows and Patricia Heller, and Deborah Newmark, Director of Symphonic Electronic Media for the American Federation of Musicians with legal counsel Melvin Schwarzwald of Schwarzwald McNair & Fusco, Cleveland, Ohio. Joel Schaffer, Commissioner of the Federal Mediation and Conciliation Service, participated in the last two days of negotiations.

San Francisco Opera opens the 2011–12 Season on Friday, September 9 with a gala performance of Giacomo Puccini's *Turandot*. Music Director Nicola Luisotti will lead an international cast of artists and the San Francisco Opera Orchestra and Chorus. Visit sfopera.com for complete details about the season repertory and performance schedule.

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