



Why AI is a Critical Issue in the Hollywood Strikes – And Takeaways For Introducing AI into Your Workplace Without Conflict

Insights

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The issue of artificial intelligence has emerged as a key issue in the strikes being waged by screenwriters and actors against television and movie production companies, being called an “existential threat” to creative professionals. But you shouldn’t ignore the conflict just because your operations are nowhere near the Hollywood hills. Instead, these labor disputes serve as a learning lesson for successfully incorporating AI into your business models with minimal disruption – and in a mutually beneficial manner for both you and your workforce. What do you need to know about the Hollywood dispute – and what does it teach us about best practices to roll out AI at your business? *[To learn more about this issue, [register today for the AI Strategies @ Work Conference](#) where we’ll discuss this and many other issues impacting the modern business environment.]*

What’s Going On?

For the first time in over six decades, two Hollywood labor unions are striking simultaneously, not only crippling the entertainment industry but putting your fall streaming plans at serious risk. In May, the Writers Guild of America went on strike against the Alliance of Motion Picture and Television Producers as 11,500 television and film screenwriters stopped working. They were joined last week by the SAG-AFTRA union of screen actors and other entertainers – approximately 160,000 professionals – who also went on strike.

In both instances, the issue of AI has become a focal point:

- The writers are concerned that Generative AI (GenAI) tools (such as ChatGPT) could replace them. They want the studios to agree that such technology can only be used to help with research or facilitating script ideas, and not generate actual content. They also want to block existing works created by union professionals from being used as source material to train AI into creating new original material.
- The actors have expressed similar concerns about AI. Union President Fran Drescher said, “If we don’t stand tall right now, we are all going to be in jeopardy of being replaced by machines.” Specifically, the actors fear the technology could be used to replicate their likeness and voice without their consent or proper compensation. Union member Jonathan Kain stated, “Our

likeness is our lifeblood. And to give it away, not knowing what it will be used for down the line is folly, in my opinion.”

In response, the studio heads have denied these claims. In the case of the SAG-AFTRA strike, management has publicly stated that an actor’s digital likeness can only be used for productions they are currently working on under the current work rules in place. Nevertheless, SAG-AFTRA members are demanding protection against AI as part of the strike.

Unionized Environments Will Find This Story Familiar

While the concern about GenAI robots taking over jobs may be a new one, the issue of technological breakthroughs disrupting the labor market is one that has been confronted time and time over many generations. From automobiles replacing horse and buggy to machines displacing assembly line workers through automation, we have seen tech advancements change the way we get work done for many years now. But what happens when the disruption occurs in a unionized setting?

The National Labor Relations Act (NLRA) requires unions and employers to bargain about wages, hours, and other conditions of employment. These are known as “mandatory” subjects of bargaining which cannot be altered once they have been memorialized in a collective bargaining agreement without explicit consent by all parties. But all other matters are “permissive” subjects of bargaining, typically involving issues handled by management related to the operation of a business and not requiring union input. Even unionized employers, for example, don’t typically need to get union consent if they are going to reshuffle their management structure or switch up their recruiting methods.

So here’s where things get sticky. Introducing new technology into the work environment has historically been considered a “permissive” subject of bargaining – which means the studios wouldn’t need to get union consent about AI-related issues and wouldn’t need bargain about them. But the Hollywood unions say AI is a transformational technology that has the potential to alter the fundamental underpinnings of work itself, and therefore should be a mandatory discussion point that needs to be agreed upon if they are to strike a deal. They want to bargain about AI uses and how it will impact the work of the employees rather than let the studios handle AI however they want in the years to come. Couple this with the NLRB’s General Counsel – the agency’s top prosecutor – announcing her intention to “vigorously” enforce the law against employers deploying new types of technology, all employers are left with the question of how to proceed.

What Can You Do to Minimize Disruptions?

Whether you are a unionized employer or not, you may be wondering about some best practices to incorporate AI technology into your workplace to minimize potential concerns, disruption, and labor unrest. Here are some tips you can follow to ease the pathway and allay the fears of your workforce:

- **Be open with your communication.** For some, AI can be scary. Explain to your workers how helpful the specific product you are introducing can be using specific use cases. This is especially true in a unionized environment. Providing notice of the change will at least insulate you from a claim that the change was done unilaterally (which, depending upon the nature of the AI usage, may be done without further bargaining with the union).
- **Convey your excitement.** Explain that your customers, clients, and business partners expect your business to innovate. By giving them access to this cutting-edge technology, you can show that you are dedicated to provide the best and most innovative services that will help your company thrive.
- **Explain the benefits.** Don't shy away from the key message: the tool you are deploying is aimed at making your employee's work better, more efficient, and more creative. It should help relieve them of some of the drudgery and repetitive tasks and allow them to focus on the fun and engaging stuff. And it has the power to make the finished product far superior for your customers.
- **Showcase your successes.** Once you start getting positive feedback from those who are using and enjoying the AI product, highlight those experiences to a larger audience.
- **Consider a pilot program.** You may want to start the process by selecting a group of early adopters with a positive team-oriented mindset to be test subjects for your product. They can help you identify bugs you can iron out before you roll it out widely and then can be some of your early champions to talk up the product to those more skeptical.
- **Don't rest on your laurels.** Have a continuous improvement mindset and seek frequent feedback from users so you can adjust as necessary along the way, even if the early reports are all positive.

Join Us in Person!

Register today for the AI Strategies @ Work Conference taking place this September 27-28 in Washington, D.C., where we'll discuss the intersection of artificial intelligence and the modern business environment. We'll meet just steps from where lawmakers and regulators are debating AI to discuss how impending regulation will impact businesses and human capital management. We'll also explore AI's transformative impact across various industries by providing practical use case scenarios, highlighting how to seize competitive advantages, and showing how you can position yourself as a leader in the era of AI.

Conclusion

If you have questions about introducing AI into your workplace, reach out to your Fisher Phillips attorney, the authors of this Insight, or any attorney on our Artificial Intelligence Practice Group. We will continue to monitor the use of AI technology in the workplace, risks and benefits associated with that use, and developing legal and regulatory landscape, so make sure you are subscribed to Fisher Phillips' Insight system to get the most up-to-date information directly to your inbox.

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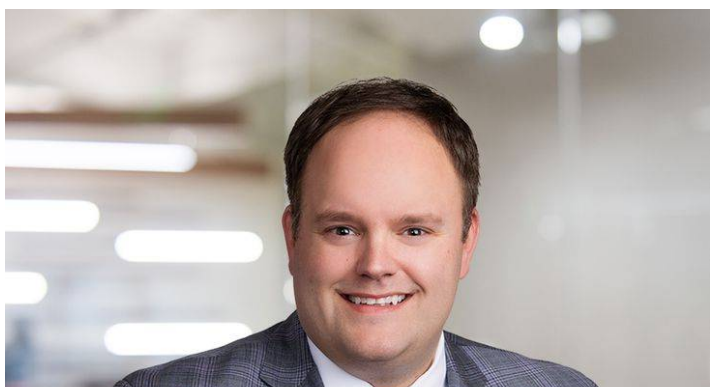


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