

Bad Acting

By Reg P. Wydeven

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The 90th annual Academy Awards show occurred last week. Despite ‘Star Wars: The Last Jedi’ being both a critical and commercial success, it was not even considered for the best picture Oscar. None of the actors were nominated for awards, either. However, it did get four nominations for sound editing, score, sound mixing and visual effects (but didn’t get any wins).

Although ‘Star Wars’ didn’t get the recognition it deserved, the #MeToo movement was a common theme throughout the ceremony. Supporters of the movement made it well known that sexual assault and harassment would no longer be tolerated in Hollywood.

The #MeToo movement has had a ripple effect throughout the movie industry and beyond. One such example is its impact on insurance. Several high-end insurance companies, such as Allianz, Chubb and Lloyd’s of London, provide coverage for the film and entertainment industry. The insurers protect practically every movie, music video and TV series made, which is why the industry is projected to generate \$50 billion a year in revenues.

The insurance covers accidents and injuries to the cast and crew, such as when Harrison Ford broke his leg on the set of ‘Star Wars: The Force Awakens’ after a hydraulic door on the Millennium Falcon slammed shut on him. The insurance would pay for delays in shooting while he recovered, or even those caused by weather or terrorism. Policies even protect damage to filmed footage.

Recycling or rebooting ideas is a Hollywood staple, so the insurance industry is about to follow suit.

An antiquated type of coverage was for “Death and Disgrace” for key individuals involved in a film’s production. Such a clause would typically require that the individual “refrain from conduct which would bring him into public hatred, contempt, scorn or ridicule, or shock, insult or offend the community, or offend public morals or decency.”

Universal Film Co. started using these clauses in their contracts in 1921 after actor Fatty Arbuckle was arrested on suspicion of manslaughter in a starlet’s death. The insurance would have covered a film’s losses if it suffered because of the bad acts of its stars or crew. The clauses fell out of favor after producers used them to fire individuals for “suspected communism” during the Red Scare in the 1950s.

The clauses worked their way into other high-profile contracts, though, such as those for professional athletes or for celebrity endorsements. Kobe Bryant, Michael Vick, Tiger Woods and Lance Armstrong all lost millions of dollars in endorsement deals after their public falls from grace.

Insuring these morality clauses is likely to be resurrected. A perfect example involves actor Kevin Spacey, who was accused of sexual misconduct. Production on his television series “House of Cards” was suspended after the accusations and he was eventually fired. He also starred as J. Paul Getty in last year’s movie, “All the Money in the World,” about the billionaire’s grandson’s kidnapping. After the scandal, producers replaced Spacey with Christopher Plummer and reshot the whole movie. Spacey’s misconduct cost his TV and movie productions tons of money. Insurance would have helped recoup some of these funds.

Currently, the cost of this insurance is about 1% of a film’s total budget. If insurers are now asked to cover the bad acts of a film’s key individuals, this cost will surely go up.

As with all insurance, however, everyone’s hoping that they’ll never need it.

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