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### 'Happy Days' cast members sue CBS for \$10 million over merchandise revenue

April 19, 2011 | 3:09 pm

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Potsie, Joanie, Mrs. C and Ralph Malph mean business.

Four cast members of the iconic 1970s sit-com "Happy Days" on Tuesday filed a lawsuit in Los Angeles Superior Court against CBS Corp., alleging that the television giant has cheated them out of millions of dollars in merchandising revenue. The plaintiffs include Anson Williams (Potsie Weber), Marion Ross (Marion Cunningham), Don Most (Ralph Malph) and Erin Moran (Joanie Cunningham), as well as Patricia Bosley, wife of the late Tom Bosley (Howard Cunningham), who died last fall.

Two notable cast members -- Henry Winkler (Fonzie) and Ron Howard (Richie Cunningham) -- are not party to the lawsuit. Winkler's character -- "Ayyy" -- the Fonz, was more commercial than the others. He has received compensation from the studio, said Jon Pfeiffer, a Santa Monica attorney representing the five plaintiffs. As for Howard, now a prominent film director: "My guess is that this is off his radar screen," Pfeiffer said.

Maybe the suit isn't on Howard's screen, but CBS seems to be paying attention. Rather than the boilerplate "without merit" comment that companies typically issue in response to such lawsuits, the broadcaster on Tuesday said it intends to honor its obligation to the performers.

"We agree that funds are owed to the actors and have been working with them for quite some time to

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resolve the issue," the company's consumer products unit said in a statement.

The four actors and Bosley's wife are seeking \$10 million in lost revenue from the sale of products featuring their images, including lunch boxes, T-shirts, board games and greeting cards. And in the last few years, casino slot machines have popped up featuring the squeaky-clean characters.

"'Happy Days' epitomizes what is best in America with the Cunningham family exemplifying the best of what a family can be," the lawsuit said. "As will be proven at trial, defendants' actions epitomize what is worst in Corporate America."

Contracts with the show's producer, Paramount Television, which has since been folded into CBS, said the actors would be paid when their "name, voice, likeness or endorsement was used in connection with merchandising rights," according to the suit. The actors were guaranteed "5% of 100% of net proceeds, to be reduced to 2 1/2 of 100% if used in conjunction with name, voice, likeness or endorsement of other(s)." The studio also reserved the right to deduct 50% of the gross as a handling fee.

But one actor hasn't received payments in more than a decade, and the others have not been paid at all, Pfeiffer said.

In 1999, Paramount Television sent Erin Moran a check for about \$680 after she called to ask about merchandise revenue, the attorney said. But when she called Paramount in 2002 and 2003 to inquire about additional payments, "she was told that there was nothing" for her," Pfeiffer said.



Pfeiffer said the actors had no idea there had been a resurgence in merchandise based on the sit-com, which ran on ABC from 1974 to 1984, until a line of "Happy Days" slot machines rolled out two years ago. The "Happy Days" and "Arnold's Diner" gambling machines are produced by WMS Industries Inc., based outside Chicago, which until two years ago was controlled by billionaire Sumner Redstone, who also is chairman and controlling shareholder of CBS and sister company Viacom Inc.

Slot machine players, according to Pfeiffer, won the jackpot if they hit "five Marions."

"Friends were saying to Marion Ross, 'Hey I just saw your face on a slot machine, you must be cleaning up,'" Pfeiffer said. "And she said, 'I don't know anything about it.'"

Actually, that is what Mrs. Cunningham would say.

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-- Meg James

Top photo: Henry Winkler, clockwise from top, Ron Howard, Tom Bosley, Erin Moran and Marion Ross on "Happy Days." Credit: Paramount Pictures

Bottom photo: Erin Moran, left, and Marion Ross. Credit: Fred Prouser / Reuters

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