

Contracts, Riders & Addenda 101
by Del Suggs

Contracts, riders, and addenda are those legal agreements we deal with every day in student activities. Every time you book a musician, a novelty, a comedian, you are executing a contract. Let's take a moment to look at these agreements, and get a basic understanding of what they are, what they do, and what they can do for you.

Here's the standard disclaimer: I am not a lawyer, or a paralegal, and I'm not giving you legal advice. I'm not qualified to give you legal advice. But I do know some of the basics of contracts and riders, and I'll share with you what I know. If you have any questions, go see a lawyer who is qualified to answer your questions.

First, let's understand what a contract is-- a legal agreement. Contracts are used to document and clarify an agreement between parties. For most student activity directors, a contract chronicles the agreement for an attraction to appear on a college campus. The contract will give the details of the appearance: date, time, venue, and payment. In addition, the contract will contain other more extensive details of the agreement.

Be very careful in negotiating an agreement. Many people believe that a legal contract doesn't exist until it's signed. That is wrong. The contract exists when the agreement is made. If you agree to an offer over the phone, that's a contract and you can be held to that contract legally. I think nearly all contracts begin as verbal contracts. The formal written and signed contract

just restates it and clarifies the agreement.

The contract is important because of the so-called "fine print" it may contain. These are the items that keep you up and night and give you heartburn.

Understand the Basics

It's easy to agree on the basics. For example, you book a comedian to perform on November 3 in the Student Center at 8 p.m. for one hour, and agree to pay \$1500. That's is the basic agreement: Date, place, time, and fee. Nothing difficult about that, is there?

But let's look at the details that might be in the contract. How about travel costs? Are you responsible for that expense, or is the fee "all-inclusive" meaning that it includes all additional costs? If you are responsible for travel, how is it calculated? First class airfare from LA to your local airport? A stretch limousine? A suite at the Hyatt downtown?

Travel costs can vary dramatically, so understand what you are contracting to pay. There was a very popular vocal group touring colleges several years ago. It was a large ensemble (six members), yet they performed for only \$750 "Plus travel." Some schools learned too late that the "Plus Travel" was for six members flying round trip from New York to campus and back without a Saturday night stayover. Plus hotel rooms. The bottom line was that some schools ended up paying well over \$2000 for what they thought was a \$750 act.

Make sure your contract clearly states your financial obligation. One state university handles this with a contract which states a maximum total financial responsibility. For example, the contract might agree to pay a performers fee of \$1500 plus airfare and lodging not to exceed \$300. The contract states "under no circumstance will the school be obligated for more the \$1800 total fee and expense." Very smart!

Cancellation Clauses

Other items covered in the details of a contract might include a cancellation clause. The Cancellation clause is important, because it states the only situations which might be used to cancel the agreement. Obvious examples are things like "Acts of God," such as hurricanes, tornadoes, blizzards, etc. But it's not enough to simply have a cancellation clause. It's important to also spell out any financial responsibilities. If the performer has already traveled to your campus when the tornado rips the roof off of the auditorium, does he have to pay his travel expenses? It's not his fault the show was canceled. Of course, it's not the school's fault either. These occurrences, although rare, show why it's important to clearly state financial responsibilities.

A more common use of the cancellation clause is to take a better offer. Some acts, generally comedians, have a clause which will allow them to cancel the contract if they get a movie or television offer for the same date. That means if Jay Leno calls, your contract is

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history. Be aware of this possibility.

Other details might include complementary tickets (who gets them and how many), and a recording and broadcast prohibition. In larger cities, the contract may also have an exclusivity clause. This clause may prevent an act from appearing within a certain radius of the school for a certain length of time-- for example, "the act cannot appear within one hundred miles of campus within thirty days of the performance." Not a bad idea, especially if you are selling tickets. You don't want the hot band you've got booked for your spring concert playing a local club for a cheaper ticket price the day before your show!

Riders On The Storm

The next item you might run across attached to the contract is a rider. Riders are frequently added to the contract by the act, to clarify some specific performance needs. This is an additional contract, which generally deals with specific things such as production and hospitality. It is again important to understand what you are agreeing to when you sign the contract and rider.

A production rider might call for a stage with certain minimum dimensions. It might list sound and lighting requirements. It might list the number of crew members you are required to provide to assist with load in and load out. Other items might include security, access to fax machines or the Internet, loading dock access and more.

The production rider is vitally important. You must make sure that your facility is adequate for the attraction you are booking. If you are required to hire a sound and lighting company from another state in order to meet the acts needs, you've got to account for that added expense. And, you've got to recruit those volunteer roadies to help with load in and load out or be held financially responsible, according to some riders.

A hospitality rider generally includes items such as the necessary dressing rooms and meals or refreshments. These are the riders you most often hear about because of there seemingly outrageous requests. Acts may request cases of alcoholic beverages in their riders. They may request multiple dressing rooms with showers. They may ask for a gross of towels. Some acts are truly at their creative peak when they draft their hospitality rider.

You must understand what you can provide, and what you can not provide. You must review the rider, line out the requirements you can't meet, and resubmit it to the act's representative. If they accept your changes, then you're off the hook for those things. Otherwise, you may be held accountable.

Silly Riders and Their Purpose

Some of the strangest-- and funniest-- rider requests actually have a purpose. The most famous rider request came from Van Halen. They requested a bowl on M&M's in their dressing room with all the brown ones removed. How

eccentric is that? Well, there was a deeper purpose. Understand that when an act goes onstage their entire professional reputation is at stake, yet so much of their actual performance is in the hands of others such as the sound company, the lighting company, etc. If the sound is bad, nobody would say "what a lousy sound company." They would say that Van Halen was terrible. So when Van Halen walked into their dressing room and saw a bowl of M&M's with no brown one, they knew the production staff was taking care of details. If they picked out the brown M&M's, you can be sure that they took care of the sound and lights. See, it was just a test.

An act currently touring the college market has an odd request in their hospitality rider. They ask for a sheep in their dressing room. A sheep? Is it for some satanic ritual? Is it something so bizarre you don't even want to think about it? No. Once again, it's a test. If a school representative sees the request for a sheep in the rider and calls the manager, he'll say "no problem, we just wanted to make sure you read it." Very clever, but I'll bet it causes some panic in the student activities office the first time it's read!

Add On The Addendum

The last area of contracts I'll touch on is the Addendum. This is another, additional contract, generally attached to the contract by the school. An addendum can cover a host of legal details that the school wants to clarify, such as the previously mentioned maximum financial obligation.

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An addendum might include payment of royalties, fees, and dues. If a performer is a member of a union, there may be a fee due to the local union for the performer. There may also be a pension payment due from the performance fee. An addendum could specify that the performer is responsible for that fee, and not the school.

An Addendum might also clarify indemnity and immunity. For example, who is libel if the band starts a riot during their performance? Who is responsible if lead singer falls into the audience and some one is injured? These questions might be cleared up in the addendum.

I often find that schools add clauses to their addendum to prevent the recurrence of previous problems. There are often addenda added to my contract that prohibit offensive conduct, language and behavior. It's certainly not there because of my reputation! It's there because some performer before me was offensive, so the school is seeking to prevent that from happening again. Also included may be clauses prohibiting substance abuse, intoxication, and more.

If you have a problem with your performers, an addendum may be your legal solution. I recently did some training at a school with a recurring problem. Agents and artists would wait until the last minute to return the signed contract, yet expect payment at the performance. I pointed out an addendum used by another school which calls for signed contracts to be returned five days before the

show, otherwise payment would be made within a week following the performance. It was the answer to their problem in getting contracts returned. At least it enabled them to silence the performers who complained that their check wasn't ready-- they should have gotten the contract back on time!

There are hundreds-- maybe thousands-- of books on contracts and contract law. I'm not a lawyer, and I haven't scratched the surface on these legal issues. But I hope this has given you some insight into contracts, riders and addenda. If you have any questions, contact your campus attorney.

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