

## Contracts 101 for Presenters

Once you have selected an artist you would like to present, the next step is to reach an agreement with the artist about the terms of their engagement. Typically, the artist is the one to prepare and send the contract. However, it is important for presenters to be aware of all the elements of a contract and understand what is being agreed upon.

The contract is a statement of the understanding that has been reached through negotiation between the presenter and artist. Terms should be kept simple and clear. The contents should include the date, time, and venue of the performance; which party is providing technical equipment; what will happen if the performance is cancelled; and a number of other important terms.

Every item in a contract may be challenged and negotiated or renegotiated before signing. When an item is renegotiated, or struck, prior to final signing, both parties should initial the changed clause.

### Sample Contracts:

[Simple Contract Template](#)

[Alternate Contract Template](#) (more detailed)

### Contents of a Contract

#### **Venue, Date(s) and Performance Time(s)**

#### **Payment Methods**

#### **Payment Schedule**

The artist may request a portion of their fee in advance to help cover pre-tour expenses. A common deposit is 50% of the artist fee.

#### **Additional Services**

The contract may include additions such as masterclasses, pre/post show talks or receptions that the artists agrees to. These expectations, along with any associated pay, should be clearly laid out.

#### **Insurance Coverage**

The presenter is responsible for adequate third party or public liability insurance. The artist may request a copy of the certificate showing that they are additionally insured. The presenter may request similar proof that they have been identified as an additionally insured on the artist's third party liability insurance.

#### **Sales of Tour Merchandise**

Specify whether the presenter is entitled to a defined percentage of merchandise sales. Also specify whether the presenter or artists will provide a person to manage sales on site.

### **Accommodation and Ground Transportation**

Usually, artists arrange their own accommodation and transportation, but sometimes it is included as part of the presenter's expense. Specify who will arrange and pay for accommodation and transport.

### **Hospitality Requirements**

The artist may lay out specific hospitality requests such as bottled water or a meal. The presenter typically provides some form of hospitality but these requests are negotiable, particularly based on your available resources.

### **Dressing Room Requirements**

The artist may request a certain number of dressing rooms or bathrooms, and have certain requirements such as size or reasonable temperature. Again, these requirements are negotiable based on the realities of your space.

### **Set-up, Rehearsal and Strike Times**

Specify what time the artist will need to arrive and start setting up, how long it will take to get the stage ready, how much time the artist will require for rehearsal, and how long it will take to get everything packed up again.

### **Technical Equipment and Staffing Requirements**

What sound and lighting equipment is the presenter expected to provide? How much technical staff will be needed to set up, run rehearsal, run the show and take it all down?

All of these details should be laid out in the technical rider, and should be reviewed in the **negotiation** phase, to ensure that the presenter is able to meet the artists' technical requirements.

More information on tech riders can be found below.

### **Provision of Special Items**

The artists should specify any necessary items such as a piano, music stands, tables, etc.

### **Recording and/or Documentation**

Does the artist or presenter plan to record the performance for future sale or to document the performance for archival purposes? Or to take photos for future promotion? Permissions and stipulations around documentation should be covered in the contract negotiation.

### **Timing of Negotiation**

Establish deadlines for the conclusion of the negotiation process.

### **Radius Clause**

The presenter may ask that the artist not perform in the nearby area within a specified window of time around the performance date. Common radius clauses are 100-150km within 3-6 months before and after the performance.

### **Timing of Contract Delivery**

Clarify how long it will take the artist to deliver the contract to the presenter and visa versa.

### **Cancellation Clause**

Other than the Force Majeure (see below), the parties should specify what should happen in the event of a cancellation, especially with regards to the artist fee.

## Standard Contract Clauses

There are also several standard contract clauses that must be present in any contract. These will not require discussion in the negotiation, but will be part of the final agreement, as follows:

### **Force Majeure (or Act of God) Clause**

With this contract essential, both parties promise that they will not hold the other responsible if a performance is cancelled as a result of an epidemic, civil insurrection, serious illness of the artist(s), labour difficulties and strikes, floods, famine, weather conditions or any other cause beyond the control of either party. Usually this clause provides for a postponement and for further arrangements to be made to carry out the intent of the original contract within a reasonable period of time.

### **Notification Clause**

Another contract basic, this is just a statement of the address to which contracts will be delivered for the presenter and the artist and how they will be conveyed.

### **Rights of Assignment**

This clause prevents either of the two parties to the contract from selling their interest in the venture to a third party without the consent of the other.

### ***Late Changes***

Occasionally, issues may arise after the completion of the contract. For such changes, a letter should be drafted for signature by both parties, indicating mutual agreement with regard to the change.

## Types of Financial Arrangements

There are a number of different financial arrangements that may come into play for your engagement.

### **Guarantees**

For most touring engagements, the presenter guarantees the artists a fixed fee, known as a “guarantee,” for the performance. For these fixed fee engagements, the presenter determines ticket prices, promotes the engagement and sells tickets. If sales do not cover the total cost of the fee paid to the artist and other expenses, the presenter is responsible to cover the losses.

### **Splits**

In some cases, you may not be sure that you can sell enough tickets to cover all of your costs.

In this case a split arrangement may make sense, in which some portion of the artist’s fee is determined by the financial success of the performance. There are different types of split fee arrangements.

#### **Straight Percentage Split**

The artist will not receive any guaranteed fee and the box office is split from the very beginning, often on a fifty-fifty basis.

### **Guarantee Plus Percentage Split**

The artist will receive a guaranteed fee (often lower than requested). This fee is the first payment from box office. Next, the presenter is paid for their expenses (to an estimated amount you have agreed to) – e.g., venue rental, promotion, insurance and production. Lastly, the remaining revenues are split between the presenter and the artist. This split could be 50/50 but it is often 70/30 with a greater amount going to the artist. For some artists (most commonly popular musicians with a proven box office record), the presenter negotiates for his/her expenses with the artist manager by submitting a budget with recommended ticket prices and showing anticipated revenues and expenses. The artist manager will agree on the amounts of these expenses and then allow the promoter a profit of 15% of the total. The guaranteed artist fee is paid first, then the presenter expenses and finally the promoter profit. Additional revenues are then split between the artist and the presenter, with the artist receiving as much as 90%. For a large touring show playing in a stadium, this “split” can add many thousands of dollars to the artist’s fee.

### **Guarantee against Percentage**

The presenter agrees that the artist will be paid either a fixed fee or a percentage of the box office revenues, whichever is greater. This is sometimes called a “versus” split.

## **The Technical Rider**

The technical rider is a vital part of the performance contract. If the tech rider is not dealt with properly, the contract is not dealt with properly.

The rider outlines the artist’s technical requirements – it describes the show technically and defines what the artist needs to put it on. The rider should be signed on both the presenter and artists side by someone who understands the technical requirements.

As the presenter, you should have your technician read the rider and assess how well the venue can respond to the requirements. He or she should flag difficulties and help to find solutions.

Appendices to the rider, such as a lighting plot or a band's staging/mic setup drawing, should be sent by the artist to the venue for review/feedback/approval.

Just because a venue does not satisfy everyone of an artist’s production needs, it does not necessarily mean that the show is off. Musicians should be aware that a small venue might not require as complex a sound plan as a large one. There is some room for creative compromise – so long as the production, management and artistic people on both sides of the discussion understand and support all variations from the rider.

*Note:* It is important to establish a two-way flow of communication between the artist’s Tech/Production Road Manager and your technical manager well in advance of the show, to reconfirm all details and ensure there are no surprises!

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