

MUM 2702

Professor Calle

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Personal Manager Notes

Personal Manager responsibilities

1. Guide artist's career
2. Help w/creative process (NOT IN MY OPINION)
3. Promotion of artist and product
4. Assembly of professional team
 - a. Lawyers
 - b. Business managers
 - c. Agents
5. Coordinating concert tours to maximize exposure and profit
6. Working the record company
7. Buffer between artist and outside world

COMMISSIONS

Commission is usually 15% - 20% of gross.

Notes:

1. 15% of gross is a large amount of money.
2. In a group situation, a manager can make as much money or more than a band member.
3. As a manager, try to get 15% up to a specified amount and then 20% after that. Better for artist to pay larger % in front and lower after a set amount. Especially true in long-term relationships.
4. As an artist, try to pay on the net of touring and the gross of other amounts.
5. Variation - % of gross is capped at 50% of net so that artist(s) never make less than the manager.

EXCLUSIONS

1. Composition/publishing. Don't pay manager on song writing earnings. They didn't write it.
2. Recording costs/budgets.
3. Producer(s) money/fees.
4. Tour support. This one is often challenged.
5. Collection costs. This applies in cases when the band is "stiffed". If band is stiffed for \$50K and settles for \$40K, manager gets % of \$40K.
6. Sound & lighting if the artist owns or is renting the equipment.
7. Opening acts if the money is just passing through.

CONTRACTS – TERM OF CONTRACTS

Short term is better for artist.

Long term is better for manager.

Be careful to specify that payments stop at the end of term.

Sunset clauses – these specify the end-day for commissions.

1. Recordings – manager paid for records under this term.
2. Publishing
 - a. Manager is paid on songs recorded and/or released during the contract term.
 - b. 1/2 commission on songs recorded during term but released after the term.
 - c. 1/2 commission on songs composed during term but released after the term.

Compromises

1. Manager is paid full commission on all deals made during the term for 3 years after the term of the contract. Manager is paid 1/2 of commission for the next 3 years and nothing after that.
2. Manager gets full commission for 5 years after the term of the contract and nothing after that.

KEY MAN

This is when you avail yourself the option of going with “your person” if they leave the company. This is applicable when you are using a very large management firm.

Note: If you are with a large firm, make sure to only pay 1 commission fee.

POWER OF ATTORNEY

When you give someone else the right to sign for you. THIS IS VERY DANGEROUS.

Most management deals work best when made on a handshake.