

The Possible Treachery Of Signing With An Agency In 2007

By Michael J. Wallach

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It used to be simple. You met an agency that you liked and you were presented with an agency contract that you could comfortably sign. But, it doesn't work like that anymore. What do I mean by that? In the old days (not more than approximately five years ago) there was basically just one contract that an actor was given to sign. You were presented with a SAG Franchised Theatrical Motion Pictures and Television Contract. No problem. Signing it was easy because there were safeguards built into the agreement which guarded the actor from giving away important rights. But, it's not quite like that anymore. Approximately 95% of all talent agencies are **no** longer SAG franchised. In fact, as a personal manager of twenty years, I was comfortable allowing my client to sign such a SAG franchised contract without scrutinizing it because I knew that SAG had guidelines built into the contract that would protect my client.

What's changed? Most agencies are no longer franchised by the Guild and therefore are not bound to sign a potential client to a SAG Franchised Theatrical Motion Pictures and Television contract. So, what kind of contract does a non-franchised talent agent sign an actor to these days? The answer is an agreement called a General Services Agreement. Is there a difference in the two contracts? Absolutely.

Let's talk about the basic differences. These differences can change your entire relationship with your agency. For example, it can keep you stuck in an agreement that you have learned was a mistake to enter into in the first place. It can cost you more than ten percent...

So, before being specific about the different agency agreements, let me say that in spite of the agreement you sign, you can still **turn a General Services Agreement into a positive move for your career!** (I'll explain later in the article.)

OK, let's examine the safeguards that a SAG agreement afforded you. First off, SAG didn't allow an actor to sign an initial agency contract for more than one year. This meant, of course, that the agreement's term was relatively short and an actor knew that if it didn't work out, that after the year was up, he or she could move on to another agency. But, with a General Services Agreement, an agency can sign you for up to **seven** years. (Yes, seven years because the state of California controls a general contract and the state rule is that a personal services agreement is enforceable for up to seven years. It's the same as signing a personal services contract to perform as a series regular on a series where the producer/network can sign you for up to seven years!)

What else does a SAG franchised agreement protect you with? It protects your right to get out of the agency contract if it's not working and you're not satisfied. Specifically, you can get out of the agreement if you haven't worked 15 days in the first 151 days.

How is this different than with a General Services Agreement? Since such an agreement is only regulated by state law, you can only get out if you haven't worked 1 day in the last four months!

Another important distinction between the two contracts that you may be presented with involves the type of representation that the agency will have over you. Simply put, when you sign a SAG franchised agreement, the **only** kind of representation is for theatrical motion pictures and television (and sometimes commercials). However, if you sign a General Services Agreement, you will likely be represented as not only an actor but also as a director, producer, writer, choreographer, and many more capacities! So, you will not only be paying a commission as an actor but also for other fields should you happen to produce or write something that gets sold. In other words, was it your intention to give an agency a commission for something other than as an actor?

And another distinction is that the SAG franchised agreement limits the commission one pays to ten percent. A General Services Agreement (controlled by the state of California) does not limit your commission to ten percent!

There is a positive way to approach the above situation. Let's discuss. What is one to do when presented with a General Services Agreement? Do you sign it out of desperation? Or, do you try to negotiate the terms with the agency trying to sign you? The answer is the latter. When an agency wants to sign you, the playing field has leveled out. While it may seem that they have all the cards, the fact is that you are wanted and needed by the agency that wants to sign you. So, discuss the terms. What do I specifically mean by that? For example, tell the agency that you only want to sign for one year; that you want the same out clauses that a SAG agreement gives you; that you only want to be represented as an actor; and that the commission should not exceed ten percent. Remember, the agency wants you – probably as much or more than you want the agency – so negotiate!

Michael J. Wallach, a manager and attorney for more than twenty years has written a book entitled "**How To Get Arrested®**": A Motivational Story For Actors Breaking Into Hollywood. It answers many questions and does it in story form as opposed to it being written in text book style. Wallach also created and teaches a course for UCLA Extension called "This Business of Acting" which is being offered in the upcoming Winter Quarter '08.

"How To Get Arrested" is sold at all Barnes and Noble stores, Samuel French, Book Soup and Skylight Books and online at Amazon.com. In N.Y., the book sells at The Drama Book Store and the St. Mark's Book Shop (in addition to Barnes and Noble.)

Helpful websites: www.HowToGetArrested.com and a MySpace page dedicated to answering questions and comments which is located at <http://groups.myspace.com/howtogetarrested> .