

Sample Career Labs Workshop

How to Negotiate Like an Entertainment Lawyer

> Raymond Tambe First Lab on October 16, 2019



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My Story

Why I Chose Law?

- Always loved Puzzles, Reading and Arguing
- Made decision to become a lawyer by 12 years old

Why Entertainment chose Law?

• I love Books, Music, Movies and TV

How Did I Get Here?

- Made the decision
- 2. Mentors
 - Middle School Teacher convinced me to do Mock Trail
 - College School Counselor suggested I do Debate
 - My Mentor in Law School was already a lawyer and eventually ended up hiring me
- 3. Good Grades in Middle School and High School
- 4. College Degree in Sociology & Business
 - Reading & Writing English/Political Science
 - Logic & Analysis Math, Computer Science, Business

5. Connections

- Met as many lawyers as possible and asked them about their experiences and for advice
- 6. Law School
 - Stanford Law School

What I Do

Negotiate Deals

For Actors, Writers, Directors, Musicians

Review Contracts

- Accuracy
- Make sure everything is legal

Some of My Clients & Projects



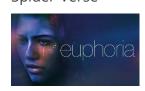
Drake



Selena Gomez



Spider-Man: Into the Spider-Verse



Euphoria



Beyoncé



LeBron James



13 Reasons Why



Avengers Endgame

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Fact Sheet

What is Negotiation?

What Is Negotiation?

A process by which **2 or more** parties **attempt** to **resolve an issue** in a way that **satisfies both parties**

Negotiation Examples

- Trying to decide where to eat with your friends
- Trying to convince your parents to let you hang out with your friends
- Trying to get extra credit in a class

Negotiation Outcomes

- You Win
- They Win
- No one wins
- **You Both Win**
 - You don't make your opponent quit
 - Good footing for future negotiations

Preparation for Negotiation

Tips for Before Negotiation Starts

- 1. Identify your <u>best-case</u> scenario
- 2. Identify your Bottom Line
 - What is the worst you are willing to accept
 - What can you walk away from
 - What you must have
- 3. Rank your Goals from Most to Least Important
- 4. Identify your Best Alternative
 - If negotiations fall apart, what is the next best thing you can do

4 Techniques for Negotiating

1. **ANCHOR** the Negotiation

- "Anchoring" = Set a point of reference for a negotiation
- First Offer
- First Counter-Offer

2. FLEXIBILITY

- Be flexible and compromise
 - o Issue-by-Issue
 - o In the Overall Negotiation

2. Make a FINAL OFFER

- Issue-by-issue
- Overall negotiation
- Use Carefully

3. Use your **EMOTIONS**

- Stay objective and don't take things personally
- Sometimes making an emotional appeal can help your opponent change their mind

Important Entertainment Issues

- Fees (money)
- Revenue splits (Label collects \$)
- Credits
- Travel, Accommodations and Trailer
- Creative Approvals
- Schedules
- Additional Titles
- Producer Credit & Fees

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Negotiation Role Play Workshop

Role Play Game

Students will form teams of 2-3 and practice negotiating an entertainment contract.

2 Contract Negotiations

- 1. Zendaya is negotiating with Marvel Studios for a role in the upcoming Spider-Man Movie
- 2. Drake is negotiating with Def Jam Recordings to sign with their label

4 Legal Teams

Students form teams of 2-3. Each team chooses to play the role of one of the legal team:

- 1. Zendaya's Legal Team
- 2. Marvel's Legal Team
- 3. Drake's Legal Team
- 4. Def Jam's Legal Team

3-Step Contract Negotiation

1. Pre-Negotiation Preparation

- Each team works through the scenario details and plans their negotiation goals and strategy
- Each team only sees their client's details they do not know what the other side knows
- Checkpoint: Table Mentor check-in and coaching

2. The Negotiation Table

- Opposing Teams face off at a negotiation table and negotiate their deal
- Use the Negotiation Worksheet to record agreements and compromises
- Checkpoint: Each table has a final deal negotiated

3. Present the Final Deal

- a. For each negotiation table, both teams make a presentation together of the final deal
- b. The rest of the lab participants to play the part of the clients

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Negotiation Worksheet

Artist	Studio
Goals Achieved:	Goals Achieved:
•	•
•	•
	•
Points of Compromise:	Points of Compromise:
	•
•	•
•	•
F	inal Deal Terms

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CASE #1 - Casting Zendaya in the next Spider-Man Movie

Zendaya's Position

Instructions:

Read the prompt below and negotiate with the other side. Feel free to be creative. If the below instructions don't mention how your client feels about a certain issue, you can make their opinion up!

Prompt:

Marvel Studio is hiring Zendaya for her role in the next Spider-Man Movie. The movie will take 4 total weeks to shoot.

Your Role:

You are Zendaya's lawyer. You have to make a great deal for her or she might fire you.

Zendaya's Desires:

Zendaya's Motivation:

- Really wants to do the film
 - she loves the Spider-Man franchise
 - these movies are very good for her career!
- BUT
 - She also has another offer from Netflix to act in a TV show.
 - Netflix wants her to be a producer on the show as well (which she thinks is awesome!!)
 - The downside is the TV show shoots for 8 months, which means 8 months away from her friends and family (which is terrible!).
 - The Netflix series pays \$8,000,000 for acting and \$1,000,000 for producing.

Key Points:

- Zendaya is used to getting paid \$9,000,000 \$12,000,000 per movie and wants to get paid more than her usual amount. She definitely won't take less than her usual amount.
- Zendaya also wants to be a producer on the movie; with a fee and credit (but she's willing to do the movie
 without being a producer).
- Zendaya is available to film the movie from November 1, 2019 December 15, 2019 OR January 15, 2020
 February 15, 2020.
- Zendaya wants first class travel, accommodations and a first class trailer (if she doesn't get first class stuff, she won't feel valued on set and she might not perform well.
- Zendaya wants approval over her hair, makeup and wardrobe
- Zendaya wants final creative approval over the movie

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CASE #1 - Casting Zendaya in the next Spider-Man Movie

Marvel Studio's Position

Instructions:

Read the prompt below and negotiate with the other side. Feel free to be creative. If the below instructions don't mention how your client feels about a certain issue, you can make their opinion up!

Prompt:

Marvel Studio is hiring Zendaya for her role in the next Spider-Man Movie. The movie will take 4 total weeks to shoot.

Your Role:

You are a lawyer at Marvel. If you make a great deal you're going to earn a big bonus this year on your paycheck.

Marvel's Desires:

Marvel's Motivation:

- Zendaya's character, MJ, is a really popular part of the Spider-Man movies.
- Marvel CAN recast, but they really don't want to because if they do, fans might get mad and not see the next movie. she loves the Spider-Man franchise

Key Points:

- Marvel has to shoot the movie before February 1, 2019 to release it on time
- The director of the movie is only available from December 1, 2019 to March 1, 2020.
- The total amount of money Marvel can spend on Zendaya is \$10,000,000
- The movie already has too many producers with fees. Marvel can't afford to add any more producing fees
- Marvel needs Zendaya to do press interviews for 3 weeks before or after shooting the movie
- Marvel must have final creative approval

The pricing for travel, accommodations and trailers is as follows:

- \$1,000,000 for 1st class (amazing!)
- \$500,000,000 for business class (good)
- \$250,000 for basic class (not so great)

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CASE #2 – Signing Drake to a Def Jam Record Deal

Drake's Position

Instructions:

Read the prompt below and negotiate with the other side. Feel free to be creative. If the below instructions don't mention how your client feels about a certain issue, you can make their opinion up!

Prompt:

Def Jam wants to sign Drake to a record deal.

Your Role:

You are Drake's lawyer. You need to negotiate him a good deal or he'll fire you.

Drake's Desires:

Drake's Motivation:

- Drake used to be with Young Money, but they stole money from him so he needs a new label.
- He can also go independent (w/o a record label) but then he has to produce his album and tours by himself, which is stressful and means he can't spend time doing other things like producing TV shows, hanging out w/ friends and family and pursuing his other hobbies. He can do that, but doesn't want to.

Key Points:

- Drake wants a huge signing bonus. He heard Chance the Rapper just got a \$1,500,000 signing bonus. He wants more than that and he definitely won't take less than \$850,000.
- Drake is willing split revenue with Def Jam at the following percentage splits:
 - 1. Between 0-30% on Record/Streaming Sales
 - 2. Between 0-20% on Ticket Sales from Touring
 - 3. Between 0%-30% on Merchandise Sales
 - 4. 0% on Feature Verses
 - 5. Between 0-50% on Public Appearance Fees
- Drake wants full creative control over his album.
- Drake wants full creative control over his tour.
- Drake wants to get monthly accounting statements so he knows how much money Def Jam owes him.
- Drake's schedule for the rest of the year is:
 - He's on tour from October 20-31
 - He's recording a new album from November 1-November 26
 - Go home for Thanksgiving from November 27 to December 1
 - Act in a new movie from December 1 to December 9
 - Finish the album from December 10 to December 20
 - Spend the holiday season with his son and family December 21 December 31

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CASE #2 – Signing Drake to a Def Jam Record Deal

Def Jam's Position

Instructions:

Read the prompt below and negotiate with the other side. Feel free to be creative. If the below instructions don't mention how your client feels about a certain issue, you can make their opinion up!

Prompt:

Def Jam wants to sign Drake to a record deal.

Your Role:

You are a Def Jam lawyer and if you make a great deal you'll get a raise and a promotion at the end of the year.

Def Jam's Desires:

Def Jam's Motivation:

- Def Jam has a lot of big artists, but they're old and not as popular with young people.
- Def Jam really wants to sign Drake because he's a huge artist that's young.

Key Points:

- Def Jam wants their revenue split of Drake's income to average between 25%-50% in the following categories:
 - 1. Record/Streaming Sales
 - 2. Ticket Sales from Touring
 - 3. Merchandise Sales
 - 4. Feature Verses
 - 5. Public Appearance Fees

Def Jam absolutely won't accept an average of less than 25%. (To get the average percentage add up your percentage for each category and divide by 5).

- Def Jam wants creative approval over Drake's album (but they can live without it).
- Def Jam wants to keep Drake's signing bonus below \$750,000. They absolutely won't pay more than \$1,000,000.
- Def Jam wants Drake to perform at the Def Jam Christmas party on December 21st.

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