

# Booking Contract Fact Sheet

## What is a Booking Contract

A booking contract allows a venue to state the rules under which a band is to perform a gig and the rules under which both parties must act. These rules may include, but are not limited to, promotion, ticketing, production, payment, hospitality riders.

## Why do you need a Booking Contract

The booking contract allows both the venue and the band to know exactly what is required of them when putting on a gig. The venue can state what it expects from the band and likewise the band can stipulate their requirements. This ensures that both parties are aware of the other's expectations. Essentially, the booking contract is there to minimise potential conflict over how the gig should progress.

## When would you use a Booking Contract

A booking contract should be entered into well in advance of each gig. This allows time for both parties to negotiate the terms of the gig and understand their responsibilities prior to, during and after the performance. It is essential that everyone is aware of what each party expects prior to the performance to avoid any conflict over expectations on the night.

## How to use this Fact Sheet and included Checklist

Included with this fact sheet is a checklist of many of the issues the parties should agree on. The checklist will give you a quick idea of the key terms of a contract whilst this fact sheet provides added details on key clauses. For ease of reference, all clause numbers used in the checklist will be mirrored in this fact sheet.

By referring to both these resources, we believe that you will be in a position to better decide whether or not to sign on that dotted line, and how better to negotiate getting there!

## Key Terms of a Booking Contract

### Clause 3 Performance Details

#### *Times*

An essential part of every booking contract is timing. Parties must agree on when bands should load-in, sound check, perform, bump-out and leave. If a band is late for a sound check or their performance runs over the agreed time, a venue's "run sheet" for the night can become skewed, causing issues with performance and load out times, as well as the licensing restrictions for the venue coming in to play if a show runs late. Venues can hold the band accountable for any delays or loss of time if that is expressly provided in their contract.

### Clause 4 Fee (or basis of calculation)

#### *Deposit and Final Payments*

Bands are generally paid in one of two ways. The first is in the form of a one off fee – that will be paid by the venue either following the performance, or in two installments as a deposit and final payment upon completion of the performance. Bands are also sometimes paid additionally, or alternatively, with a percentage of all ticket sales from the show (see below).

#### *Cover Charge*

Bands may receive what is called a cut (a percentage of all ticket sales) from the gig rather than a specific fee. This is a good way in which venues can enlist the bands to promote the gig to their audience, so that the band may earn increased income from the show through better attendance figures. This percentage should always be agreed upon prior to performance.

It is important for bands to know when they will be paid their cut – it is often the case that the venue will look after ticket sales and pay the band at the end of the night.

#### *Minimum Ticket Sales*

Sometimes venues will require a form of security from a band or wanting to use the venue for a show. This security might be in the form of "minimum ticket sales". The venue will require that if the band does not sell a specified amount of tickets, for example: 100 tickets at \$10 each, the band will be required to pay the venue the difference with between actual attendance figures and the target. Bands should be wary of such requirements and must only sign up to such an agreement if they are confident they can meet the minimum number of ticket sales.

#### *Sound Engineers*

Most venues have their own sound engineer and will often insist that bands use this person to arrange and carry out all sound duties on the night. Due to this, the band will usually have to pay the sound engineer for their services before taking any profit from the night. It is also important for bands to remember that any delays caused could see the sound engineer charge them additionally – another incentive for bands to stick to the run sheet of the night and to read their booking contract carefully.

### *Travel and Accommodation*

Before agreeing to any performance a band should know if the performance fee includes their travel and accommodation costs. As these be quite costly (especially if the band has many members or is travelling a long distance) these costs can significantly reduce the incentive for actually playing the show. If travel and accommodation costs are not included, bands should always try to increase their fee to cover these costs.

### **Clause 5 Promotion Arrangements**

Venues need to ensure that bands promote their gigs as much as possible. To ensure that bands adequately market the gig, venues specify exactly what forms of promotion they expect – this includes but may not be limited to posters, flyers, street press advertising and digital marketing. Venues may also request bands provide them with gig posters to be placed around the venue in the weeks prior to the show.

Bands must ensure that they can fulfil all of these promotion methods and are able to cover the costs involved prior to signing any booking contract.

### **Clause 6 Cancellation And Termination**

#### *Venue Cancellation Fee*

As is sometimes the case, the band or the venue may cancel a show prior to the event. Venues usually require a cancellation fee is paid by the band to make up for lost revenue. This should be detailed in the contract.

#### *Force Majeure*

Sometimes a gig may be cancelled or stopped due to factors that are out of the control of both parties – these are known as “Force Majeure” events or Acts of God. These may include events such as heavy rain that causes a power shortage, blackouts, civil unrest and more. Parties should detail how any costs will be shared and paid between the parties.

### **Clause 7 Liability**

#### *Insurance*

It is important for bands to insist that venues hold adequate insurance to cover injuries that may happen during the gig. This will ensure that any injuries sustained can be adequately compensated and are the responsibility of the venue, rather than the band. Similarly, a venue will often require bands to hold their own public liability insurance. Whichever side of the fence you sit on, you should ensure you have taken out the appropriate insurances for the activities you’re undertaking.

### **Clause 8 NSW Licence**

It is a requirement that booking agents working in NSW hold a specific licence. This was introduced to stop industry professionals taking advantage of artists and to ultimately reduce the risks for creatives in the entertainment industry. It is illegal to work as a booking agent without such a licence.

Proposals to change the Act have been made and approved by the NSW Government - agents and managers should keep on top of developments as they may effect your business when they come into effect.