

Why Every Band Needs a Band Agreement

By Kurt Dahl

Why get one?

The band agreement is perhaps the single most important document an up and coming band can have to ensure that things in the group run smoothly as their career starts to develop.

Yet most bands do not think about signing a band agreement until it's too late, and it comes back to haunt them. Many of the legal issues we see arise between musicians could have been avoided if a band agreement was drafted previously.

What is it?

The band agreement is a contract between band members, much like a partnership agreement is to a partnership. It simply outlines how the business that is the band will be run. This includes:

- who owns the songs
- who owns the band name
- what happens if a member leaves
- how decisions are voted on (i.e. majority, unanimous, etc.)
- how money is divided
- who owns the music equipment (band or individual members)
- and much more

How much does it cost?

Most of our standard band agreements cost \$500 plus tax.

Is it worth it?

While buying a new guitar, new touring van, or new merch often takes priority over something as mundane as a legal agreement, we can't emphasize enough how important this document will be for you and your band going forward. We like to say it's either \$500 now or \$5000 later, when things hit the fan.

For example, if a member leaves your band and no agreement is in place, that member may by law have an equal claim to all assets of the band going forward, including the band name, song catalog, etc. In other words, you would not be able to tour using your band name without the consent of that leaving member. As you can imagine, this consent is not always easy to obtain.

Some examples of high profile, drawn-out legal disputes between band members include Pink Floyd (both David Gilmour and Roger Waters laid claim to the use of the band name, and for a time, there were actually two versions of Pink Floyd on tour), and Guns n Roses (Axl

successfully established his right to the band name, even though the rest of the band formed another band with a new front man). Members from both bands spent hundreds of thousands of dollars to determine what could have been laid out from the outset in a band agreement.

Make it happen!

Bob and I have drafted dozens of band agreements for all levels of artists, be it big or small. Feel free to contact us if you have any questions about the process, and whether it is right for you. We would be happy to help.

If you would like to have a band agreement drafted, please consider and answer the following questions:

1. What is the purpose of the partnership? Recording, songwriting, touring, merchandise - one or all of the above?
2. Is this going to be a company (limited) or a partnership? Is the company or partnership registered?
3. What are the full names and addresses of each of the band members?
4. Band contributions? Money? Loan or investment? Payback?
5. Third party contributions? Loan or investment?
6. Group name. Who is to own? If someone leaves, what happens with the band name?
7. Copyrights? Are the masters and songs going to be with the company?
8. Insurance? Obligation to maintain gear and liability insurance?
9. Equipment. Owned by band or individuals? Repairs? Strings and sticks?
10. Share in profits? Equal or unequal?
11. Limitations? No moonlighting, non-competition
12. Decision Making – majority? Unanimous for some decisions? Managing Partners can make certain decisions on their own?
13. Songwriting? What is the songwriting split between members?
14. Group issues: Leaving Member, new member, temporary substitution of member, buying out member, death of member, disability of member, mental incapacity of member, family law order, drug use or other addiction issues

15. Dissolving band? What would cause band to break up?

16. Liabilities? Third parties or contracts?