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Breakfast workshop on the Creative Europe MEDIA MIPCOM umbrella stand

## **UNDERSTANDING DISTRIBUTION AGREEMENTS: A BEGINNER'S GUIDE TO THE LEGAL FRAMEWORK**

Moderated by **Brian Levine**, media-stands.eu legal expert

Brian discussed the basic principles of contract law as they apply to distribution and commissioning contracts, as well as specific tips to protect producers' intellectual property and revenue.

- Most principles embodied in general contract law apply to distribution contracts.
- Under the laws of most countries, the essence of a contract is a clear offer that is clearly accepted with consideration (i.e. money, usually).
- The contract starts to take shape by specifying the terms of acceptance.
- Contracts are not always well drafted, and the language is often not clear.
- Commissioning and distribution agreements can be epic and many people don't read them thoroughly. This can cause huge problems for producers.
- If you cannot bring yourself to read all the fine print on a contract, get someone else – a paid professional – to do it for you.
- Contracts typically end with a section defining the national jurisdiction it falls under. A lawyer of that nationality can clarify the specificities.
- At the beginning of a contract, each term used is defined. This is a danger area, lack of close attention to which can get you in trouble.
- The bulk of the contract looks at the terms of the deal. For commissioning agreements, it is essential to know who has the right to sell the property. Distribution agreements are effectively licences: you are licensing your show to someone who will sell it for you.
- Elements to pay attention to: what are you giving the distributor? For how many years? It is very important to add performance indicators so that you are able to terminate the agreement if the distributor fails to sell your property.
- Before you hire a distributor, ask them for their track record, including specific statistics.
- When splitting broadcaster funding between different broadcasters, you will sign various contracts that are all effectively licences.
- In every contract you sign, it is essential to keep ownership of your intellectual property.
- You can also specify whatever territorial or other rights you want to keep (formats, etc.)
- Don't give away rights to future projects (sequels, etc.) unless you are sure the distributor will perform.