

# VIII Issues: Managing the Teen Recording Artist

There have been a number of teenage artists who have become successful in the music business in recent years, artists who have branched out to work in film and television. Managing a teenage artist or group, however, raises unique challenges for the personal manager. It is an area with special issues that must be handled professionally.

## I. Get to Know the Teenage Artist

Before agreeing to manage an aspiring teenage recording artist, the prospective manager should get to know the minor and the minor's parents. The manager should explain what will be required to pursue a career in the entertainment industry. The manager will want to evaluate whether the minor is serious about pursuing his or her career and has what it takes to make it in the highly competitive music business. Some important character traits the manager will want to evaluate are intelligence, working habits, commitment, ambition, honesty and integrity. It goes without saying that the manager will be evaluating the artist's talent (vocal talent, musicianship, songwriting, etc.). Of course, the manager will also be judging whether the minor has that special charisma or "star quality" that record label executives are looking for.

## II. Get to Know the Parents

When you manage a teenage recording artist, the parents or guardian are and should be an important part of the equation. A minor will look to his parents for advice and the parents should be aware of what is happening in the minor's career. Often, the parent will be the de facto manager until an experienced manager is found. Even after a manager is found, a parent will often act as co-manager and perhaps even receive a percentage of the management commissions. A 20 percent management commission is typical in the music business, and if a parent co-manages the minor, then the parent might receive five percent.

It is imperative that the prospective manager gets to know the minor's parents to determine if they are ready, willing and able to assist the minor in his or her entertainment career. Some parents actually become the minor's permanent manager, and there have been some success stories. Unfortunately, there have also been situations where the parents interfere with or hurt the minor's career. The personal manager should not rush into signing a written contract to manage the minor. The manager should first take the time to get to know the parents to make sure that he or she feels comfortable with the parents and can successfully work with them in guiding the minor's career.

## III. Know the Laws Protecting Minors

The manager must be familiar with the special laws enacted to protect the financial and overall well-being of minors. There has been a history of minors who have made large sums of money in the entertainment business only to discover later on that a parent or other representative has misappropriated some or all of the minor's earnings.

In California, the law known as the "Coogan Act" (California Family Code, Sections 6750-6753) provides procedures for approving a minor's employment contracts. A minor's employment is also governed by California Labor Code, Sections 1700, 2855 and California Education Code, Sections 49116 and 49225.5. Other states, such as New York, also have laws protecting minors. Therefore, the manager should be intimately familiar with the laws protecting minors and the procedures involved in approving a minor's employment contract in the applicable jurisdiction.

## IV. Disaffirmance of a Contract by a Minor

In California, a minor is an individual under the age of 18 (California Family Code, Section 6500). A minor can enter into a contract in most circumstances, subject to the power to disaffirm ("cancel") the contract. Most record labels and music production companies will require that a minor's contract be approved by the court so the contract cannot be disaffirmed based on the age of the minor. Usually the employer will pay the attorney's fees and costs associated therewith.

## V. Parental Agreements

A parent of the minor will often be required to sign a separate parental agreement guaranteeing a minor's contract. The prospective manager of a minor should therefore consider having a parent of the minor sign a parental agreement guaranteeing the minor's performance of the management agreement.

## VI. Coogan Trust Accounts

In California, the trustee (usually a parent) is required to set-up a special trust account called a "Coogan Trust Account" at a bank, savings and loan association, etc. (unless one has already been set-up). California Family Code, Section 6753(a). Fifteen percent of the minor's gross earnings under an employment contract is required to be retained by the minor's employer and deposited in the Coogan Trust Account. Withdrawals from the Coogan Trust Account require a court order. When the minor reaches 18 years of age, he or she may withdraw the funds after presenting a certified copy of a birth certificate to the financial institution where the account is located.

## VII. Protecting the Minor

Special precautions should be taken to protect minors in the entertainment industry. They should be supervised when in the recording studio, on tour, making personal appearances and at meetings. Often, a parent will accompany a minor child during these activities, and this is a good idea. A manager should be vigilant to keep the minor away from negative influences (illegal drugs, alcohol, etc.). The manager should also make sure that the minor is keeping up with his or her school work. Finally, the manager should promptly make the parents aware of any issues or problems.

## VIII. Dealing with Success

Hopefully the minor has a strong foundation and has been well prepared by the parents and the manager for the attention, adulation, fame and time demands that will increase as the minor becomes more successful. Once the teenager is established as a recording artist, attempts should usually be made to branch out into film, television, modeling, endorsements and sponsorships, etc. as appropriate. Of course, this has to be something that the teen artist desires. As the minor matures, the manager should think ahead about transitioning the teenage artist into an adult act.

Ultimately, the manager of the teenage recording artist must be a trusted advisor and confidant who helps guide the minor and his or her parents through the intricacies of the ever-evolving entertainment business. It is of paramount concern, then, that the manager be aware of the laws protecting minors and the minor's health, safety and education.



**miniBIO:** Glenn T. Litwak is a veteran music and entertainment attorney based in Beverly Hills, CA. He has represented a number of successful teenage recording artists in all aspects of their careers, including some who have branched out into film and television. He co-wrote a chapter in the book, *Counseling Content Providers in the Digital Age* (2010, New York State Bar Association) regarding protecting minors working in the entertainment business. Contact him at [glenn@litwakandhavkin.com](mailto:glenn@litwakandhavkin.com). For further information see [litwakandhavkin.com](http://litwakandhavkin.com).