



CELEBRITY HUNTING

By Jack King

You've decided that you want a Celebrity to endorse your product. Great decision as it helps secure credibility for your campaign and channel stopping capabilities that are to buy otherwise.

What's next? You simply begin your **hunt**. Beware; it's a **jungle** out there. Dark things may be swooping in from the sky that you never saw coming. Sneaky varmints of all kinds are crawling on the ground ready to take advantage of you. Don't let this stop you from your dream. Just surround your self with a **Jungle Guide** and all the right tools and you will **capture** your Celebrity!

The most common **pitfall** happens when you reach out find out who's their Agent, their Seller, and just by calling them up to have a chitchat shows way too much interest. This is an interesting **trap**. It's all a negotiation. Don't expect to find out whether the Celebrity would say yes, or to find a reasonable "**going rate**". Since you're probably not going to be fortunate enough to even get the agent on the phone, the next statement you will most likely hear from the assistant to the assistant is, "Sorry, not interested". Thinking that the agent did not understand how GREAT your product is, you keep trying to represent this, to no avail. When you attempt to explain that this is the most wonderful product ever and that you just want to send it over to let them look at it, just so they can see how special it is, you've just stepped into **quicksand** and are sinking fast. Pretty soon you are finding out how much Mercedes Benz paid that Celebrity, and you are looking for your chair so you can sit down.

The next thing you might try to do is find out who cuts their hair, and if that doesn't work who cuts their lawn. None of that works because even if you find yourself swinging on a vine right next to the actual Celebrity you want, and you pull out the pictures on your product and the Celebrity acts interested and you're thinking to yourself, "**Tarzan** has nothing on me", they will politely say, "...sounds very interesting", and ask you to call their Agent and you're back to standing on the same tree branch where you started.

Nobody in the entertainment industry considers a deal **real** until a firm offer is presented. Up until that moment, all conversations are unimportant and unessential. No Agent is really going to talk to any of their Celebrities about any project that is in a preliminary interest stage. They may say they did, but they didn't. If they did, they wouldn't be that Celebrity's Agent very long. The volume of interest level calls is mind-boggling. If they took even half of those projects to the Celebrity, soon the Celebrity would become jaded and unresponsive. So, why have preliminary chitchat conversations with the Agent? I can't think of a good reason.

Frankly, I believe whoever gets to the table with a price structure first is automatically in a better negotiation position. This approach step **MUST** be presented in the form of a firm and binding offer with your best-case money scenario outlined brief and to the point. With a firm offer that is acceptable, usually comes a real look by the Celebrity at the project. If that particular Celebrity says "No", you can move right along to the next choice on your list. However, without this firm offer you will never get a real answer of any kind. The Celebrity doesn't commit first, you do. Interested in what? What does it pay?

Unlike most businesses, in the celebrity endorsement arena, a "Catalog of Prices" does not exist. Certainly if asked, most Celebrities think they are at the top of the price list. So... don't ask. Every deal is a brand new deal, and your project is different from everybody else's.

Celebrities don't do campaigns because they like the product or service. Of course they won't agree to endorse your product or service if they don't really believe in it, but if the money isn't right, they won't agree to the deal no matter what. Avoid another **pitfall** in this **jungle** by finding out if the money will work

BEFORE you send the product, do lunch, or kiss their babies... Put the money on the table and get them to agree to that amount FIRST.

Contract Negotiations

Each contract negotiation is unique and individual. There is no standardized formula or checklist that can be relied upon. Yet, I find that there are many common reoccurring concepts that are unique to hiring Celebrities. Here are Four:

1. The amount of exposure dictates the price of the Celebrity, not the number of workdays. If they work one day, and you run the campaign in Boise, Idaho only for one week, the Celebrity might cost five hundred bucks. But, if they work that same one-day, and you air it national for a year, they might be five hundred thousand dollars. How many days you air your test, and the markets in which you test, will determine the initial cost.
2. All Celebrity appearances in a commercial are considered endorsements no matter how many seconds they appear in the campaign, or how light their dialog. So, appearing in your campaign will eliminate them from appearing in other campaigns, even if the product categories are not similar. Even a cameo testimonial in a fitness campaign would take that Celebrity out of ALL other fitness related commercials, and that figures into the price and their decision to work for very low fees.
3. There are celebrities for any budget. There are many lower priced celebrities that would appear in your campaign who are very recognizable, if not by name by face. The more credible (the most sought after category), are the household name, widely recognized group that get asked often to endorse products. So, the more commercials they turn down, the more money they can demand.
4. Celebrities don't want royalties, they want large bundles of cash, all paid upfront, like most of the commercial campaigns involving main stream advertisers like Pepsi, and Chevrolet. The DR world typically alters that structure in order to pay lower amounts to test air the campaign.

Paying flat fees instead of royalties, albeit more expensive initially, will always save money in the long run. If you want the normal DR deal, you would be paying much lower cash advances against one or two percent of gross on all sales of the product. You actually get the advances back since you don't have to pay the Celebrity until they have cleared the advanced amount.

Who's available? Who's interested? Who's affordable?

Who's available? This is one of the most difficult questions to get a complete answer to, but it's what everybody wants to know on every project that might need a Celebrity. The reason that this is tough is largely due to the fact that Agents don't want to appear eager. It blows their negotiation position. The more interest they show the lower their Celebrity's perceived value. Also in today's marketplace, Agents can not be relied upon to give you a list of Celebrities which are handled by their talent agency. Talking to the wrong Agent for the Celebrity you are seeking (the Agent who says they handle your Celebrity, but actually doesn't) will cost you dearly. The wrong Agent talking to the right Agent, well, overpayment is surely going to happen.

Who's interested? Have you ever waited for an Agent to get back to you with a level of interest from a Celebrity? The reason this doesn't usually happen the way you want it to happen is that when you make an interest level call or send a nice letter of interest, it is not considered a real deal yet. However, the contacts which are in the form of an unconditionally firm and binding offer rise to the top of the stack. For the very first time, the Agent will (at least it's their fiducially duty to) call the Celebrity and make them aware of the project and the deal. If you hear an Agent tell you during that first call that a particular Celebrity is interested, watch out. There is usually a reason why an Agent is promoting a particular Celebrity, and it is usually not in the Producer's best interest.

Who's affordable? If the Agent says the Celebrity is interested or "eager" to appear in your project, they just blew their negotiation position--so they are never eager. If an Agent/ Seller says a particular Celebrity is eager or affordable, how could he or she then ask for a lot of money for that Celebrity? Obviously they can't...that's why they don't want to show interest. Many times, just simply asking for a video tape, allows the Agent to the chance to decline

interest in your campaign, before you even start. Try to find independent sources for tapes or DVDs, like at your local video rental store. The more affordable group are those who are currently not working, and the hundred of retired athletes.

Price Dipping

So how do you shop Agents? You don't. You should never let the Seller know how deep your pockets are or how high your interest is for a particular Celebrity. After compiling a prioritized list of Celebrities that best fit your criteria, a firm commitment should be made to the first choice, and you go down the list until you get a Yes. That may seem to be the slowest route, one-by-one, but in fact because you're firm on your days needed, compensation, options, exclusivity, first class travel arrangements, reasonable approvals and indemnification, then you get a much quicker response from the Celebrity.

Every time Celebrity is overpaid, that Agent and Celebrity have a new, higher level that they feel they can get next time. It is an ever-increasing spiral that is fueled by Producers and Corporations who are not as prudent or inventive in the negotiation phase. This sometimes occurs due to a lack of alternate Agents and viable Celebrity choices to slide over to when the price grows too high with the one Agent. If an Agent knows that, no matter what, you are going to buy Celebrities from him or her, he or she isn't inspired to come down on price or negotiating position. On the other hand, if the Agent knows that the next choice is with another Agent, it will naturally work in your best interest.

Unions

Ninety percent of Celebrities will not work non-union. **Unions!** Just the sound of that work makes even the bravest lions run for the hills. The unions I am referring to are the on-camera and voice-over talent guilds. The production crew can be non-union, but the on-camera and voice-over talent are governed by either SAG or AFTRA (sister guilds). You must become a signatory to the applicable union or hire a company that is already a signatory. This basically makes you an employer on behalf of the union, and you agree to abide by their hiring bylaws, which mostly pertain to the hiring of performing actors at no less than minimum wage ("scale"). The Pension and Health Fund contribution ("P&H"), which is currently between 12.5 and 13.5%,

and is paid on an amount based on the number of workdays, and it's paid on an optional quarterly basis. Retired athletes are the most likely celebrities who will work non-union.

If you are careful in what steps you take climbing the tree, you will crack the **coconut** every time.

Since 1983, Jack King has volume-bought celebrity talent for commercial endorsements on well over a thousand projects. His company, Celeb Brokers, represents the advertiser and negotiates against the celebrity's talent agent in the effort to pay the lowest price possible for whomever. Jack is in a negotiation position that allows him to treat Agents differently than most individuals can, only because of the ongoing, daily new business that Celeb Brokers represents. Because they are the buyer not the seller, Celeb Brokers functions on a non-bias basis...meaning they work in the advertiser's best interest. From a casting sense, that equates into you getting to see the entire celebrity community for each of your projects, based on its criteria and budgets. Additionally, Celeb Brokers knows who will, who won't and whom you don't even want to deal with. Inevitably this will expedite the process, saving you both time and money. Jack can be reached at (310) 268-1476, or at jack@celebbrokers.com.