



**media, entertainment & arts alliance**  
the people who inform and entertain

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# **CO-OP KIT**

## **for**

# **PROFIT SHARE PRODUCTIONS**

An information booklet for Alliance members

### **Free Promotional Offer for Your Co-op Production!**

Please take advantage of the free promotion available from the Alliance e-bulletin to thousands of industry members when all the cast and crew of a co-op are financial.

Your friendly Alliance office will be happy to assist with a dues reduction on request as we appreciate income can be tight during co-op seasons.

**THE ALLIANCE AROUND AUSTRALIA**

**ALLIANCE FEDERAL OFFICE AND NSW BRANCH**

MEAA 245 Chalmers Street Redfern NSW, 2016

**Phone: (02) 9333 0999 Fax: 1300 730 543**

**Mail: PO Box 723 Strawberry Hills NSW 2012**

**Alliance Information Desk 1300 656 512**

For any queries regarding employment and professional issues  
call the Alliance Information Desk.

**Website: [www.alliance.org.au](http://www.alliance.org.au)**

**Email: [aid@alliance.org.au](mailto:aid@alliance.org.au)**

**Alliance Membership Centre 1300 656 513**

Locked Bag 526, Spring Hill QLD 4004

**OTHER ALLIANCE OFFICES**

**VICTORIA**

Level 3, 365 Queen Street, Melbourne VIC 3000

phone: (03) 9691 7100 Fax: 1300 730 543

**SOUTH AUSTRALIA**

241 Pirie Street, Adelaide SA 5000

phone: (08) 8223 6055 Fax: 1300 730 543

**QUEENSLAND**

Level 4, 16 Peel St, South Brisbane QLD 4101

phone: (07) 3846 0044 Fax: 1300 730 543

**WESTERN AUSTRALIA**

123 Claisebrook St, Perth WA 6000

phone: (08) 9436 2412 Fax: 1300 730 543

**AUSTRALIAN CAPITAL TERRITORY**

Ground floor, 40 Brisbane Avenue, Barton ACT 2600

phone: (02) 6273 2528 Fax: 1300 730 543

**TASMANIA**

379 Elizabeth St, North Hobart TAS 7000

Phone: (03) 6234 1622 Fax: 1300 730 543

## **Profit Share Productions**

Dear Member,

This kit will help you organise a successful profit share production and warn you about some of the traps that await the unwary.

Three major points you should always keep in mind when organising or participating in a Profit Share Production are:

1. A profit share is a co-operative effort. Because there is no employment relationship, nobody has the right to hire or fire or lay down the rules on how the company will operate. This is something for the group to decide. Generally speaking everyone should have approval of budget, make a group decision on how the group will operate and be presented with updates on finances / box office returns for the duration of the production.
2. Everyone needs to be aware that they are not covered under WorkCover and therefore the group will need to discuss taking out accident and injury insurance. Public liability insurance should also be considered in case any audience member is injured. You should seek advice about insurance.
3. Because it is most likely that you will operate as a partnership, all members of the co-op will be individually, personally and jointly liable for any debts of the partnership.

You should also create a written Agreement that all participants agree to and sign.

The Standard Co-Op Agreement in this kit is a guide and you can adapt it to meet your operational requirements – although we recommend this after receiving independent advice.

The Union is happy to do a first check over the Agreement that the group draws up, if the group are all Alliance members.

Good Luck!

## **Useful contacts**

**Media, Entertainment & Arts Alliance** 1300 656 512  
[www.alliance.org.au](http://www.alliance.org.au)

**Australian Bureau of Statistics** 1300 135 070  
<http://www.abs.gov.au/>

**Australian Taxation Office** Personal tax enquiries 13 28 61  
<http://www.ato.gov.au/> Business tax enquiries 13 28 66

**Arts Law Centre** 1800 221 457  
<http://www.artslaw.com.au/>

### **Business Advice**

Victoria <http://www.business.vic.gov.au/> 13 22 15  
NSW <http://www.business.nsw.gov.au/> 1300 134 359  
QLD <http://www.business.qld.gov.au> 1300 363 711  
SA <http://www.business.sa.gov.au/> 08 8303 2400  
NT <http://www.nt.gov.au/business/> 1800 193 111  
TAS <http://www.development.tas.gov.au/> 1800 440 026  
WA <http://wa.gov.au/government/services/business/>

### **Workplace Safety**

Victoria <http://www.workcover.vic.gov.au/> 1800 136 089  
NSW <http://www.workcover.nsw.gov.au/> 13 10 50  
QLD <http://www.deir.qld.gov.au/workplace/> 1300 369 915  
SA <http://www.safework.sa.gov.au/> 1300 365 255  
NT <http://www.worksafe.nt.gov.au/> 1800 019 115  
TAS <http://www.wst.tas.gov.au/> 1300 366 322  
WA <http://www.commerce.wa.gov.au/WorkSafe/> 1300 307 877

## **Legal issues**

We recommend you obtain independent advice about:

- Legal structure and documentation e.g. Partnership requirements.
- Business name registration
- GST-check exemptions for small business
- Insurance (see next list)
- Health Safety and Welfare
- Explosive or dangerous goods
- Taxation
- Licensing for alcohol

## **Insurance**

Please don't be underinsured for the following:

- Public liability
- Fire
- Burglary
- Personal accident, death and sickness
- Cash in transit
- Professional indemnity
- Motor
- Equipment

## **Insurance Companies**

*(Please note that the Alliance cannot recommend any one company)*

### **Duck For Cover**

**Ph: 03 9439 5991**

<http://www.duckforcover.com.au>

### **Action Insurance Brokers**

**Ph: 02 9411 3477**

<http://www.actioninsurance.com.au/>

### **AON Insurance**

**Ph: 1800 043 534**

<http://www.aon.com.au/>

### **Local Community Insurance Services**

<http://www.communityinsurance.com.au/>

## **Handy hints for putting on a Profit share production.**

Before you start you should consider the following points;

- Why do you want to put on a show?
- Do you have the right personal qualities and characteristics?
- Do you understand the business?
- What are your chances of success?
- Can you afford it?

### **Co-Op check list**

1. Do not say yes until the entire structure and arrangements are explained to you or unless you participate in setting up the structure.
2. Talk to the Alliance Information Desk, your Alliance officer and your agent about the deal, the performers, the venue and the play.
3. Ask about the budget - is it realistic?
4. Demand a written Agreement or adapt the **Standard MEAA Co-Op Agreement** to meet your operational requirements. Verbal Agreements are problematic. It is harder to argue that you were assured of certain terms if it is your word against theirs.
5. A Co-Op Agreement should ideally cover the following issues;
  - Names and addresses of all parties concerned
  - Production, venue and dates for rehearsal and performances
  - Investments in the production
  - All persons and companies to share in the profits
  - What percentage of the profit is yours
  - At what point you start to share in the profits
  - At what intervals you will receive your share of the profits
  - Provisions for the maintenance of proper and complete records of tickets sold and distributed and an account of all incomings and outgoings
  - Provision for your representative to have access to all records and accounts on request
  - Provision for injury insurance when workers compensation is not applicable, and public liability insurance
  - Under what structure the co-op is set up e.g. company, partnership etc.
  - What everyone's responsibilities are under the agreement
  - Appropriate grievance resolution mechanism
  - What should happen if someone wants to leave
  - Under what legal jurisdiction the contract will be renewed

## **Business planning**

It is a good idea to form a business plan to identify your personal or the group's strengths and weaknesses. This will assist you in identifying if it is a viable proposition.

You will need to do homework about:

- **Details of the industry** - theatre venues costs, availability, seating capacity and formation, lighting provisions, when is a good time to stage a production of your type
- **Details of your show** - cast requirements, obtaining production rights
- **Marketing** - where to advertise to get the most for your dollar, who your audience is and how to best reach them, to be part of a festival or not, which media representatives you most want / need to target to attend for reviews and how to reach them, costs of posters / fliers / postcards / newspaper listings / ads (newspaper / radio / TV)  
Please note the special deal for Alliance member co-ops on the cover page!
- **Production** - length of rehearsals/season, props, costumes, sets, scripts
- **People** - cast and crew and production / where and how to find good support
- **Financial / Management strategies** - where the money is going to come from to set up the production, sponsorships / donations, who will do the banking, accounts, tax and the divvying up at the end
- **Location** - of the show / auditions / rehearsals / tours / wrap party

These are just intended as a guideline - there are plenty more details you will need to find out about as you go



## The Media Entertainment & Arts Alliance

### Co-Op Checklist

**Before entering into a co-op please ring the  
Alliance Information Desk on 1300 656 512**

1. Do not say yes until the entire structure and arrangements are explained to you or unless you participate in setting up the structure.
2. Talk to the Alliance Information Desk, your Alliance Officer and your agent about the deal, the performers, the venue and the play.
3. Demand a written Contract and have your Alliance Industrial Officer and your agent check and approve the contract.
4. Don't be put off about the contract. If there is no contract you can make an appointment with your Alliance Officer who will assist provided that all the performers and crew in the show are financial members.
5. Make sure the co-op arrangement is set out in writing. Remember it is hard to argue down the track that you were verbally assured of certain terms.
6. Ask about the budget, is it realistic?
7. A co-op contract ideally should cover the following issues:
  - names and addresses of all parties concerned
  - production, venue and dates for rehearsals and performances
  - investment in the production
  - all persons and companies to share in the profits
  - what percentage of profit is yours
  - at what point you start to share in the profits
  - at what intervals you will receive your share of the profits
  - provisions for the maintenance of proper and complete records of tickets sold and distributed and an account of all incomings and outgoings
  - provision for you or a representative to have access to all records and accounts on request
  - provision for workers compensation and public liability insurance
  - under what structure the co-op is set up e.g. company, a partnership etc.
  - what everyone's responsibilities are, under the agreement
  - appropriate grievance resolution mechanism
  - what should happen if someone wants to leave
  - under what legal jurisdiction the contract will be reviewed



**Showcase Agreement**

This Equity Approved Agreement is to be used by members working in Co-operatives, Independent Productions, Profit Share Productions and all Theatre Productions not covered by MEAA Awards

**The Agreement is arranged as follows:**

This Agreement is dated .....

Is between ..... here after called **The Producer**

And ..... And all other parties of the co-operative.

For the role/s of .....

In the Production of .....here after called **The Production**

Production Venue .....

Venue Capacity .....

Ticket Prices Full..... Concession.....

**Production Dates**

Rehearsal commences ..... Previews .....

Opens ..... Closes.....

Number of performances per week.....

**Special Conditions...** strike out where appropriate

Smoking – The performer shall/shall not be required to smoke in this production.

Nudity – The performer shall /shall not be required to perform nude in this production.

Appearance – The performer is required/is not required to maintain their appearance during the season of this production.

Future Productions – The signatory to this Agreement is/is not guaranteed first right of refusal for any subsequent professional mounting of this production as described in clause 1.14.

Billing – The billing in this production shall/shall not be equal and alphabetical.

Other Special Conditions

.....  
.....  
.....  
.....  
.....

**Parties to the Agreement/ Profit Share**

The undersigned agree to the terms of this Agreement including the profit share set out below:  
All persons who have worked on the production should be listed and sign below.

Name	Position e.g.	Share in Points
.....	Director	.....
.....	Producer	.....
.....	Actor	.....
.....	Actor	.....
.....	Actor	.....
.....	Designer (lighting)	.....
.....	Designer (set)	.....
.....	Designer (costume)	.....
.....	Stage Manager	.....
.....	Other	.....
.....	Other	.....
.....	Other	.....

## Part 1: Agreement Provisions

- 1.1. The parties to this Agreement shall provide their services to the Production without the benefit of a salary or fee as determined by any relevant Awards or Agreements.
- 1.2. All parties to the Agreement will be paid a "Profit Share" for their contribution to the Production as stated above, within 28 days of the conclusion of the Production.
- 1.3. The Producer will provide the full budget to all parties of this Agreement prior to the commencement of rehearsals.
- 1.4. No disbursements beyond those budgeted production costs stated in this Agreement shall be made until each and every party to this Agreement has agreed in writing to the payment of such disbursements.
- 1.5. The Producer shall keep adequate financial records in respect of incomings and outgoings in relation to the production. These records shall be available to any party to this Agreement on request and a report will be made to all parties on a weekly basis.
- 1.6. All money spent in relation to the Production must first be authorised by the Producer. Authorised reimbursements will be paid only on the presentation of an itemised receipt or invoice.
- 1.7. All parties shall be responsible for their own relevant taxation payments.
- 1.8. Each and every party to this Agreement will make him/herself available for interviews, photograph calls and other forms of publicity to promote the production provided that the party is given reasonable notice and is able to attend. The Producer agrees that any material arising from such calls shall only be used to promote or market the current production.
- 1.9. The signatory shall be entitled to 2 Complimentary Tickets for the run of the Production. All Complimentary tickets must be arranged via the Producer. Industry complimentary tickets shall be made available to casting directors, producers, directors and agents. The Producer shall provide a list, to all signatories to this Agreement, of all holders of industry comps including contact details and the date of the performance attended.
- 1.10. Where possible the signatory shall make him/herself available for all Rehearsals/Production Meetings for which they are required.
- 1.11. The signatory shall have the right to refuse to work in an environment they consider hazardous to the safety and health of themselves and others.
- 1.12. During the Production the signatory will take care of and, at the conclusion of the Production, return in good condition all props, costumes and equipment provided by the Producer for the Production.
- 1.13. The signatory shall be allowed to leave the production at any time during rehearsal or performance season. Immediately upon deciding to leave the production, the signatory shall notify the producer in writing. The signatory shall be paid according to their participation up to the time of their withdrawal.
- 1.14. In the event that the production is remounted in a fully waged season the signatory shall have the right of first refusal of the role, unless otherwise stated in the Special Conditions of this Agreement, or receive payment equal to relevant minimum wages for the run of the remounted season.
- 1.15. In the event that the production is remounted in another medium, e.g. film television, radio, whether now existing or developed in the future, the original members of this agreement who are not engaged shall receive royalty payments up to a maximum of 50% of the Producer's total proceeds from subsequent exploitation until an amount equal to five weeks salary under relevant Theatre Award or Agreements has been reached. In the event that the signatory is engaged to perform the position stated under this Agreement in another medium the Producer shall no longer be liable under this provision.
- 1.16. The Producer warrants that they own the correct and proper rights and licenses for the material to be used in the production.

1.17. Where the Producer is aware the Production may include smoking and if an Artist shall be required to smoke, such requirement shall be specified in the Special Conditions section of the Agreement. In the event the Producer is not aware of a smoking requirement upon engaging the Performer, or where the Producer wishes to introduce smoking into the production, after engaging the Performer, any introduction of smoking into the production shall be on the basis of mutual consent between the parties. Smoking in the production is subject to the provisions of the Live Theatre Health and Safety Code.

1.18. In the event the Producer requires the Artist to appear “nude” or “semi nude” in the Production the terms must be negotiated prior to signing the Agreement and stipulated in the Special Conditions.

1.19. The Producer shall ensure that all signatories are accurately billed and that their names, professional experience and photographs appear in a programme. Billing shall be equal and alphabetical unless stipulated in the Special Conditions in this Agreement. The Producer agrees to display photographs and biographical information in the foyer. The Producer warrants that the following will be included in the programme and/or signage in the foyer of the Production:

“This Equity Approved Showcase Production is performed by professional actors/performers. For this season the performers are un-waged.”

1.20. No video or sound recording will be made of the Production. Further consent to the recording of the production can be sought by the Producer through a separate written agreement.

1.21. The Artist will provide his/her own standard facial make-up. When the Producer requires the Artist to use special make-up including body make-up and/or special effects facial make-up the Producer shall provide such make-up.

1.22. The Producer will provide all costumes required for the Production.

**Insurance**

1.23. The Producer warrants that both the rehearsal venue and production venue carries adequate public liability insurance.

1.24. All parties are responsible for their individual personal/income protection insurance.

**It is agreed by all parties of the Agreement that any disputes arising from this Agreement shall be taken to the Media, Entertainment and Arts Alliance for mediation.**

**Signed by Producer** .....

**Witnessed by** .....

**Signed by Artist** .....

**Witnessed by** .....

## Part 2: BUDGET

VARIABLE COSTS	AMOUNT	Points/Percentage	TOTAL
Director			
Lighting Designer			
Set and Costume Designer			
Sound Designer			
Actor			
Actor			
Actor			
Actor			
Stage Manager			
Writers royalty		10% of gross box office	

FIXED COSTS	AMOUNT	NOTES
<b>Production Costs</b>		
Printing		
Mail		
Graphic Design		
Publicity Photography		
Advertising		
Distribution		
Set, Props, Costumes		
Sound/Sound		
Insurance		
Consumables		
Opening night catering		
Production Photography		
Contingency		
<b>Rehearsal Costs</b>		
Rehearsal space hire		
<b>TOTAL FIXED COSTS</b>	\$	