



LAW ADVOCATE GROUP, LLP

9701 Wilshire Blvd. Suite 1000 Beverly Hills, CA 90212

Phone: 310-651-3065 Fax: 310-601-7110

www.LawAdvocateGroup.com

Doron F. Eghbali Entertainment Law

[What Does a TV Development Contract with a Network Encompass?](#)

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TV Development Contracts refer to TV Networks or other sources of funding election of Independent Producers to DEVELOP a costly or risky TV program for a focus group before committing their resources even to a pilot. Such development by independent producers transcends writing a treatment to computing budgets, selection of cast and locations and even testing the program before a focus group. Let us further explore the Development contract and its intricacies from both the Network and Independent Producer's perspectives, to some extent.

1. *SOME CONTRACTUAL CAVEATS ON SCOPE OF AGREEMENT, AS A WHOLE*

It is incumbent on both Independent Producer and Network to jointly, among other things:

- Delineate any schedules to be completed by a particular date
- Delineate any audience to be targeted
- Delineate any marketable issues and its budgetary limitations
- Delineate any approval process over costs
- Delineate any practical mechanism to overcome budget overruns
- Delineate any corporate producer to have a fully valid and enforceable contract with the independent producer the network desires to work. This is important as Networks usually select a particular independent producer based on her applicable expertise and insight in a particular risky and costly project
- Delineate any delivery materials with specificity such as the number of pages of proposals, its content, the testing and its geographic, location, the length of such testing and number of individuals in a focus group, among other things.



2. *SOME* CONTRACTUAL CAVEATS ON INDEPENDENT PRODUCER'S FUTURE IN THE PROJECT

It is incumbent upon both Network and Independent Producer to intelligently decide, to the extent possible, on the future of Independent Producer, if the Development is successful and the Network decides to proceed with a TV series based on the Development material. There are, in fact, some conflicting interests as Network might desire to reduce costs by utilizing in-house personnel including TV Series producer and the Independent Producer vying for the ultimate bounty namely producing the Series. Here are *SOME* CAVEATS:

- To protect both Network and Independent Producer's rights, often, the Development Contract should set out some reasonable intelligent terms for Independent Producer to completely satisfy. Upon complete satisfaction of such terms, then the independent producer has a LIMITED term to produce the TV Series based on the Development materials.
- Alternatively, in situations where the TV Network does not intend to make the Independent Producer the Executive Producer, it might want to add an Buy Out provision which enables the Network to pay a lump sum in exchange for Executive Producer role.

3. *SOME* CONTRACTUAL CAVEATS ON INDEPENDENT PRODUCER'S PAYMENT AND OWNERSHIP RIGHTS

Generally, there is no set payment amount designated for a particular Development. In fact, the amount of payment depends on myriad of factors including but not limited to the simplicity or complexity of a Development, to industry recognition or attachments to the Development. In most cases, Networks seek to only cover Independent Producer's reasonable, and sometimes unreasonable, costs and defer payment of any profits if a Series is to be produced and whether such Series is profitable. Undoubtedly, the definition of "profitable" is vague and elusive.

Here is another Caveat:

- Payment, regardless of its amount, is divided in two or more installments. Often, a simple \$10,000 Development fee is paid in two installments while a \$100,000 fee for a complex project with disparate scripts and budgets is paid in several installment concomitant with designated thresholds.

4. *SOME* CONTRACTUAL CAVEATS ON OWNERSHIP OF DEVELOPMENT WORK

Usually, the TV Network funding the Development work is the one owning it, but not all the time. In fact, in the following situations, Independent Producer might end up owning some of the ownership rights:

- If the TV Network pays the Independent Producer relatively a small payment relative to the complexity of the project, the Independent Producer might be in a position to negotiate for a portion of the rights.



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- If the TV Network fails to produce the Series based on the Development within a certain period, then the Independent Producer may be able to purchase back the rights from the network.

[DORON EGHBALI](#) is a Partner at the Beverly Hills Offices of [Law Advocate Group, LLP](#). [Doron](#) Primarily Practices [Business](#), [Real Estate](#) and [Entertainment Law](#). [Doron](#) Can Be Reached at: 310-651-3065. For More information, Please, Visit: [HERE](#).