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DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF LABOR STANDARDS ENFORCEMENT
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DIVISION OF LABOR STANDARDS ENFORCEMENT
DEPARTMENT OF INDUSTRIAL RELATIONS
STATE OF CALIFORNIA

SARAH STAGE,
Petitioner,

v.

UNRULY AGENCY LIMITED LIABILITY
CORPORATION,
Respondent.

Case No.: TAC - 52876

DETERMINATION OF CONTROVERSY

I. INTRODUCTION

From February 21, 2024 to February 27, 2024, the above-captioned matter, a Petition to Determine Controversy under Labor Code section 1700.44, came before the undersigned attorney for the Labor Commissioner to hear this case. Petitioner, Sarah Stage (“Stage”), was represented by Camron Dowlatshahi, Mills Sadat Dowlat, LLP. Respondent, Unruly Agency Limited Liability Corporation (“Unruly”), was represented by Armand J. Jaafari, Grand Park Law Group. The original petition was filed on February 22, 2023.

The parties submitted post-hearing briefing on March 27, 2024. The matter was taken under submission. Due consideration having been given to the testimony, documentary evidence, and arguments presented, the Labor Commissioner hereby adopts the following determination.

II. FINDINGS OF FACT

1. This case arises out of a dispute between Stage and Unruly regarding whether Unruly unlawfully procured Stage work in violation of the Talent Agencies Act (“TAA”).

2. Stage is a model providing services through the website OnlyFans where she shares video and photography content to paid subscribers or fans.

3. Unruly identifies itself as a boutique marketing company that tailors its services in the marketing and management of influencers, primarily on the website OnlyFans.

4. Unruly is not a licensed talent agent under Labor Code section 1700.5.

5. On or about February 23, 2022, Stage filed a civil suit against Unruly for breach of contract and other causes of action in Los Angeles County Superior Court, Case No. 22STCV06689.

6. On or about February 25, 2022, Unruly filed its Answer and a Cross Complaint against Stage for breach of contract, among other claims.

7. Stage filed her Petition to Determine Controversy with the Labor Commissioner on February 22, 2023. Stage claims that she is an artist entitled to the protections of the TAA. She alleges that Unruly is in violation of the TAA because it procured work on her behalf while being an unlicensed talent agent.

8. Stage filed her Petition to Determine Controversy within one year of the filing of the cross complaint by Unruly.

1 9. On or about August 17, 2020, the parties entered into a written agreement (“Agreement”),
2 where Stage engaged Unruly to provide the following services:

- 3 (i) Facilitation of all content that is posted on OnlyFans;
4 (ii) On a daily basis, Company will respond to messages on OnlyFans on
5 behalf of Talent and work towards upselling products and content
6 Talent offers on OnlyFans;
7 (iii) On a weekly basis, Company will consult with Talent on what content
8 Talent should produce on his/her own accord to fulfill customer
9 orders on OnlyFans. In situations where the customer orders are
10 pertaining to professionally produced content, Company will assist
11 Talent in producing such content;
12 (iv) Company will use good faith efforts to assist in the removal of any and
13 all unauthorized publication of work produced as a result of this
14 agreement;
15 (v) In the performance of these Services, Company will serve the Talent
16 in good faith, ensuring, within its reasonable control, that it is: (1)
17 protecting the Talent’s interest consistent with the purpose of this
18 agreement; (2) observing all applicable laws related to the Talent’s
19 activities; and (3) acting in accordance with good and professional
20 production and management practices;
21 (vi) Company will make good faith efforts to communicate regularly with
22 the Talent concerning progress Company has made in performing
23 Services.

24 10. Per the Agreement, Unruly charged a management fee of 25 percent of all monthly gross
25 revenue received through OnlyFans.

26 11. Stage was then instructed by Unruly to open an OnlyFans account and provide access to
27 the account to Unruly. Stage did not own or operate an OnlyFans account prior to the Agreement.

28 12. OnlyFans is a website and application that allows engagements between content creators
and fans. A fan or subscriber can create an OnlyFans account and has access to thousands of content
creators such as Stage who upload videos and photographs for purchase by their fans. The subscriber can
choose to engage with one or as many creators as they desire on OnlyFans. Subscribers can buy content
directly from the creator through various methods on OnlyFans such as direct messaging.

 13. Unruly employed account managers to work with Stage to manage her OnlyFans account.
Account managers had access to the Stage’s OnlyFans account and were able to upload content such as
photographs and videos. Account managers also regularly communicated with subscribers through the
OnlyFans direct messaging function to upsell existing content or the creation of personalized content.
When posting photographs or videos of Stage, account managers could add captions to the content. The

1 subscribers believed they were communicating with Stage, when in reality they were communicating with
2 an Unruly account manager.

3 14. An Unruly account manager would bring a request for personalized content from
4 subscribers to Stage. She would have the final say on whether to produce or not produce such requested
5 content. An example of personalized content produced by Stage, was a request for video focusing on a
6 fitness.

7 15. When personalized video content is produced, it is then shared with the subscriber
8 through OnlyFans. The subscribers then purchases this custom content and the payment is processed
9 through OnlyFans.

10 16. Stage testified that she was asked by an Unruly account manager to make at least two of
11 these personalized videos for subscribers.

12 17. On one occasion, Unruly through its communications with a subscriber negotiated a deal
13 for Stage to provide a video of her feet. Unruly then notified Stage of the request for the foot video and
14 she agreed to film the video for the subscriber.

15 18. On a separate occasion, Unruly requested that Stage create a personalized fitness video
16 focusing on abs. Again, this request was presented to Stage who agreed and produced the video that was
17 then purchased by subscriber.

18 19. Stage presented screen shots of communications between Unruly account managers and
19 a subscriber. Here, the subscriber sent a picture of his genitalia to Stage. The Unruly account manager
20 then responded to the message with the following message, "I can rate \$50 for if you want (smiley face
21 emoji with hearts." Stage testified that she did not approve these communications.

22 20. Stage testified that she continued to have access to the OnlyFans account so she could see
23 the communications between Unruly account managers and subscribers. This was also how Stage could
24 track her revenue from OnlyFans and confirm that the personalized content was shared with subscribers.

25 21. Stage testified that Unruly negotiated the transactions with her subscribers and she did not
26 set the price for her content.

27 22. Unruly disputes that it negotiates prices for content on behalf of its content creators. Chief
28 Financial Officer, Garret Hellman ("Hellman"), testified that Unruly's current business practice is to work

1 with the content creator to develop pricing parameters for different types of content. However, Hellman
2 could not confirm whether that practice was in place at the time the parties entered into their agreement.
3 Hellman's employment with Unruly started after the date of the Agreement and he did not have personal
4 knowledge of Unruly's practices at the time of the Agreement.

5 23. Unruly facilitated the uploading of content onto OnlyFans and setting up photoshoots for
6 Stage with a professional photographer.

7 24. Stage testified she was not happy with the services provided by Unruly and ultimately
8 decided to end the relationship only a few months after the agreement.

9 25. Stage made commission payments to Unruly in August 2020, September 2020 and
10 October 2020. Stage made no other commission payments to Unruly after October 2020.

11 26. It is undisputed that the relationship between the parties ended on or about October 2020
12 when Stage took back control of her OnlyFans account.

13 III. LEGAL DISCUSSION

14 The issues in this case are:

- 15 • Was the Petition to Determine Controversy timely filed within the statute of
16 limitations?
- 17 • Is the Petitioner an "artist" within the meaning of Labor Code section 1700.4(b)?
- 18 • Did Respondent, Unruly unlawfully procure employment on behalf of Stage in
19 violation of the Talent Agencies Act?

20 A. The Petition to Determine Controversy is Timely.

21 Labor Code section 1700.44(c) states, "[n]o action or proceeding shall be brought pursuant to this
22 chapter with respect to any violation which is alleged to have occurred more than one year prior to
23 commencement of this action or proceeding."

24 The one-year statute of limitations under Labor Code section 1700.44(c) was addressed in *Styne v.*
25 *Stevens* (2001) 26 Cal.4th 42 ("*Styne*"). In *Styne*, the California Supreme Court held:

26 Under well-established authority, a defense may be raised at any time,
27 even if the matter alleged would be barred by a statute of limitations if
28 asserted as the basis for an affirmative relief. The rule applies in
particular to contract actions. One sued on a contract may urge
defenses that render the contract unenforceable, even if the same

1 matters, alleged as grounds for restitution after rescission, would be
2 untimely . . .
3 (*Id* at 51-52.)

4 In the present case, the last engagement that Unruly negotiated on Stage's behalf occurred on or
5 about October 2020. Stage then sued Unruly in superior court for breach of contract, among other causes
6 of action, in February 23, 2022. Unruly then filed a cross complaint against Stage for breach of contract,
7 among other causes of action, in February 25, 2022. Stage then filed her Petition to Determine
8 Controversy with the Labor Commissioner in February 22, 2023.

9 Here, Stage, filed her Petition to Determine Controversy with the Labor Commissioner as a
10 defense to the cross complaint filed by Unruly. Applying *Slyne*, Stage is not barred by the one-year statute
11 of limitations under Labor Code section 1700.44(c) because she raised the violations of the TAA as a
12 defense within one year of the filing of the cross complaint.

13 **B. The Petitioner is an “Artist” Within the Meaning of Labor Code Section 1700.4(b).**

14 Labor Code section 1700.4(b) defines an “artist” as:

15 [A]ctors and actresses rendering services on the legitimate stage and in the production of motion
16 pictures, radio artist, musical artist, musical organizations, directors of legitimate stage, motion picture and
17 radio productions, musical directors, writers, cinematographers, composers, lyricist, arrangers, **models**,
18 and other artists and **persons rendering professional services** in motion picture, theatrical, radio,
19 television and **other entertainment enterprises**. [emphasis added]

20 The Labor Commissioner has addressed this very issue of whether content creators or social media
21 influencers such as Stage are artists within the meaning of the TAA. (See *Beaty v. Aiello*, et al., TAC Case
22 No. 52756 (“*Beaty*”) and *Bostanian v. Rao*, TAC Case No. 52836 (“*Bostanian*”).) The petitioner in *Beaty* was
23 a model and influencer on Instagram. In finding the petitioner in *Beaty* was an artist as defined by the
24 TAA, we stated:

25 Whether the clothing or featured product is shown on television, a movie theatre, or an online
26 posting on social media is immaterial as the TAA makes no distinction between the forum or multiple
27 outlets where the model's work is eventually displayed. What is material or relevant here is that the
28 evidence establishes Petitioner is a model, and thus an artist, as defined by Labor Code section 1700.4(b).

In the present case, the evidence establishes that Stage was a person rendering artistic and professional services through OnlyFans for the purposes of entertaining her subscribers. Stage produced video and photographic content which could be purchased on OnlyFans. Stage on multiple occasions also produced customized content at the request of such subscribers such as a workout video. Stage testified that Unruly set up a photoshoot with a professional photographer. Thus, Stage acting as a performer and model in both photographic and video content is an artist within the meaning of Labor Code section 1700.4(b).

C. The Respondent, Unruly, Unlawfully Procured Employment on Behalf of Petitioner.

Labor Code section 1700.4(a) defines a “talent agency” as, “a person or corporation who engages in the occupation of procuring, offering, promising, or attempting to procure employment or engagements for an artist or artists . . .”

Labor Code section 1700.5 provides that “[n]o person shall engage in or carry on the occupation of a talent agency without first procuring a license from the Labor Commissioner.” Therefore, an unlicensed talent agent who performs such activities violates the TAA. (See *Marathon Entertainment, Inc. v. Blasi* (2001) 42 Cal.4th 974, 986) (“*Marathon*”).)

The applicable scope of the TAA was addressed by the Supreme Court in *Marathon*.

The Act establishes its scope through the functional, not a titular, definition. It regulates conduct, not labels; it is the act of procuring (or soliciting), not the title of one’s business, that qualifies one as a talent agency and subjects one to the Act’s licensure and related requirements. (§1700.4(a).) Any person who procures employment – any individual, any corporation, any manager – is a talent agency subject to regulation. (*Id* at 986.)

The Labor Commissioner has long recognized a broad definition of the term procurement. The Labor Commissioner has held that “procure” means:

to initiate a proceeding; to cause a thing to be done; to instigate; to contrive; bring about, effect or cause[.] [t]o persuade, induce, prevail upon, or cause a person to do something. Procurement also includes the solicitation, negotiation or acceptance of a negotiated instrument for the engagements at issue. Additionally, procurement includes an active participation in a communication with a potential purchaser of the artist’s services aimed at obtaining employment for the artist,

regardless of who initiated the communication.

Gersh Agency v. Grant, TAC 52726, at 5-6 (2021) (internal brackets, quotations, and citations omitted).

The Talent Agencies Act (Lab. Code, §§ 1700-1700.47) is a remedial statute. Statutes such as the act are designed to correct abuses that have long been recognized and which have been the subject of both legislative action and judicial decision [...] such statutes are enacted for the protection of those seeking employment [i.e. the artist]. Consequently the act should be liberally construed to promote the general object sought to be accomplished; it should not be construed within the narrow limits of the letter of the law. [...] As a result, the licensing scheme contemplates that the occasional ‘talent agent,’ like the fulltime talent agent is subject to regulatory control.

Waisbren v. Peppercorn Productions, Inc., (1995) 41 Cal.App.4th 246, 254-255 (citations omitted)

Unruly is not a licensed talent agency, but styles itself as a talent management agency. Although, Unruly may have provided Stage with advice and counsel on the direction of her career it is clear by the written agreement that its services extended beyond that of a mere talent manager. The primary of these services is for Unruly to “on a daily basis, Company will respond to messages on OnlyFans on behalf of Talent and work towards upselling products and content Talent offers on OnlyFans.” Unruly employs account managers that communicate with the subscribers to solicit the purchase of sales of Stage’s content. This daily communication to subscribers on OnlyFans is where Unruly transitions from its management duties of advice and counsel into the realm of talent agent procurement. In the present case, Unruly’s account managers routinely solicited and negotiated with subscribers to purchase content on OnlyFans. Account managers would communicate with subscribers in attempts to sell content or create custom content. Not only did the account manager solicit engagements with Stage but they also negotiated the compensation for the engagements. On one occasion, a subscriber requested Stage to rate his photograph. The response by Unruly was a request of \$50 to rate the photograph. These communications numbered in the hundreds on a daily basis and Stage was not always aware of every transaction such as the one described above. Stage also testified that she was not involved with the negotiations of these engagements.

In addition, Unruly procured employment for Stage on at least two other occasions. Unruly communicated with a subscriber and negotiated a deal for Stage to provide a video of her feet. Unruly

1 negotiated a second deal when a subscriber requested Stage create a personalized fitness video focusing
2 on abs. For both engagements, Unruly notified Stage of the requests who then agreed to provide the
3 services for each subscriber. Importantly, Unruly negotiated the transactions with Stage's subscribers.
4 Hellman's testimony showed he lacked personal knowledge of Unruly's business practice regarding pricing
5 at the time the parties entered into the written agreement. In fact, and contrary to Hellman's testimony,
6 Unruly's response to one subscriber setting the price at \$50 for Stage to rate a photograph supports Stage's
7 testimony that it was Unruly who negotiated the prices. Not Stage.

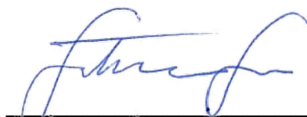
8 As a result, Unruly through its communications with subscribers engaged in solicitation and
9 negotiation with subscribers when it attempted to procure and procured engagements for Stage. In
10 addition, Unruly procured employment for Stage on at least two occasions. Consequently, Unruly engaged
11 in and carried out the occupation of a talent agency. Thus, Unruly is in violation of the TAA because it
12 engaged in these talent agency activities without first being licensed with the Labor Commissioner.

13 IV. ORDER

14 For the above stated reasons, it is hereby ordered as follows:

15 The contract between the Petitioner and Respondent is declared to be illegal, void and
16 unenforceable and the Respondent is barred from enforcing or seeking to enforce the contract against the
17 Petitioner in any manner.

18
19 Dated: August 20, 2024



20
21 Sotivear Sim
Special Hearing Officer for the Labor Commissioner

22
23 **ADOPTED AS THE DETERMINATION OF THE LABOR COMMISSIONER**



24
25
26
27 Dated: 8/20/2024

28 LILIA GARCIA-BROWER
State Labor Commissioner