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DIVISION OF LABOR STANDARDS ENFORCEMENT 1 By: John H. Stewart 107 South Broadway, Room 5015 Los Angeles, CA 90011 Tel: (213) 620-2500 3 4 5 6 BEFORE THE LABOR COMMISSIONER 7 OF THE STATE OF CALIFORNIA 8 CLEROW WILSON, professionally NO. MP 456 known as FLIP WILSON, 9 AMC 13-78 Petitioner, 10 DETERMINATION v. 11 MICHAEL BERGMAN, 12 Respondent. 13 14 15

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The above entitled controversy came on regularly for hearing on March 19 1979 before the Labor Commissioner,
Division of Labor Standards Enforcement, Department of
Industrial Relations, State of California, by John H. Stewart,
Senior Counsel for the Division of Labor Standards Enforcement,
under the provisions of Section 1700.44 of the Labor Code of
the State of California; petitioner CLEROW WILSON,
professionally known as FLIP WILSON, appearing through
Swerdlow, Glikberg & Shimer by Michael L. Glickfeld and
Judianne J. Jaffe, attorneys, and respondent MICHAEL BERGMAN
("Bergman"), appearing by and through Pollock, Rigrod and Bloom
by Jonathan David Rapore, attorney; evidence, both oral and

documentary having been introduced, and the matter being briefed by counsel and submitted for decision the following determination is made:

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DETERMINATION

- Respondent was at all times herein unlicensed as an 1. Artist's Manager under Labor Code section 1700, et seq..
- Petitioner was at all times relevant and artist 2. within[] the meaning of Labor Code section 1700.4.
- 3. Respondent did not act as Artist Manager in violation of Labor Code section 1700.4.

Labor Code section 1700.4 defines an artist's manager* as:

". . . a person who engages in the occupation of advising, counseling, or directing artists in the development or advancement of their professional careers and who procures, offers promises or attempts to procure employment or engagements for an artist only in connection with and as a part of the duties and obligations of such person under a contract with such artists by which such person contracts to render services of the nature above mentioned to such artist."

California Administrative Code, title 8, section 1200(b), defines an artist's manager as:

> "A person, who, for a consideration, advises, counsels or direct artists in the development or advancement of their professional careers and who, in fact, either procures, offers, promises, or attempts to procure employment or engagements for an artist shall be deemed to be an artists' manager even though the agreement or contract with an artist provides that there is no obligation to do so."

The fact that petitioner was an artist within the meaning of Artist's Managers Act (Labor Code sec. 1700 et seq.) is

[&]quot;Artist's Managers are presently known as talent agencies by a 1978 amendment to Labor Code section 1700.4.

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uncontroverted. Furthermore, it is undisputed that Michael Bergman was not at the times pertinent herein a licensed artist manager under the Act. Also, uncontroverted is the fact that Wilson and Bergman had some sort of business relationship for a period beginning August 1977 and ending February 1978.

The question raised is whether or not Bergman in carrying out his obligations under the business relationship with Wilson acted as an unlicensed artist manager.

The facts elicited from the evidence presents an other than clear conclusive case for either proposition. The facts in short are in conflict.

Bergman was intimately involved in all aspects of Wilson's career during his business association with Wilson. The evidence indicates that Bergman gave Wilson counsel and also had some part in the obtaining of certain employments. Of importance, it should be noted that throughout the business association of Bergman and Wilson, Wilson employed booking agents. The booking agents were primarily the William Morris Agency and Regency Artist. While the employment of booking agents would not of itself eliminate the possibility of some other individual or entity acting as an unlicensed artistmanager for an artist, it would give some indication of whether the parties involved intended to circumvent or by-pass artistmanagers licensing requirements.

Before evaluating Bergman's actions the question of exactly what the relationship was between Wilson and Bergman must be explored. The facts are clear that were was no written agreement between the parties. Instead there was some oral

arrangement by which Bergman was paid approximately \$116,000 for seven months services to Wilson. Notwithstanding, the absence of a written contract the services performed are subject [to the ruling - illegible in copy] of this tribunal.

The leading case of <u>Buchwald v. Superior Court</u> (1967) 254 Cal.App. 2d 347, 350 sets the following standard for applying the law herein. "The Act 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 (citation omitted)." Such statutes are enacted for the protection of those seeking employment.

Essentially, the engagements obtained for Wilson during the period of August 1977 through February 1978 were largely obtained through the use of the William Morris Agency.

Bergman's activities on behalf of Wilson are much more questionable in regards to the efforts made to obtain a television series with ABC. In regards to this proposed television series the evidence revealed that Bergman had more of a direct involvement in the negotiations of the terms of the proposed series.

However, factually, the case at hand differs significantly from the situation facing the court in the <u>Katz</u> case. In the <u>Katz</u> case the situation presented was that of relatively unknown entertainers who were looking to get started in the entertainment business and who as a result were completely dominated by their managers.

In the present case, the facts reveal a relatively wellknown entertainer of some stature. Throughout the period involved, Mr. Wilson was represented by an attorney and booking agents. The activities of Bergman must be viewed against this background. Also, there is some evidence that the relationship which existed may have been that of a joint venture which would tend to indicate that Bergman's activities were aimed at furthering that joint venture. There is no doubt that Bergman's activities in general approach precariously close to violating [the letter and spirit of Labor Code section illegible in copy] 1700.3. However, when his activities are weighed against the presence of the William Morris Agency and Regency Artist and the personal involvement of Wilson himself, the weight of the preponderance of the evidence indicates that the decision must go in favor of respondent Bergman and Wilson's petition must be rejected. Dated: January 9, 1980.

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Enforcement

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JAMES L. QUILLIN, Labor Commissioner Division of Labor Standards

Department of Industrial Relations State of California

Ву /s John H. Stewart, Attorney