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Grand Park Law Group
A Professional Corporation

Westside Towers
11835 W. Olympic Boulevard #870E
Los Angeles, California 90064

O:+1 888.629.4754
F: +1 310.900.0805

PRACTICE GUIDE · ENTERTAINMENT & TALENT

Film and Television

Grand Park Law Group · 2026



A. Option/Purchase and Shopping Agreements

A film "option/purchase" agreement gives the producer the exclusive right, for a fixed period, to develop a project based on underlying material (book, article, life-story rights), with a purchase price payable upon exercise. The economics are typically structured as a small option fee credited against a larger purchase price. Counsel for the rights-holder should focus on (1) the option period and renewal mechanics; (2) the scope of granted rights (typically all motion-picture, television, and ancillary rights) and reserved rights (typically print publication, stage, author-written sequels); (3) writer participation and consultation rights; and (4) reversion if no production occurs within a specified period.

A "shopping agreement" is a lighter-weight cousin in which a producer obtains a non-exclusive right to "shop" the project to studios for a short period, typically without payment. Such agreements are governed primarily by attachment provisions — who must be attached if the project sells.

B. Talent Deals (SAG-AFTRA, DGA, WGA Considerations)

Film and television talent in the United States is overwhelmingly unionized. The three relevant guilds are SAG-AFTRA (performers), the Directors Guild of America, and the Writers Guild of America. Each guild has a master "minimum basic agreement" (MBA) that signatory producers must honor; individual deal memos are layered on top.

Three structural issues recur. First, *signatory status*: a non-signatory producer cannot legally engage union talent on a union project. Second, *minimums*: all guild MBAs prescribe minimum compensation, residuals, pension, and health contributions. Third, *credits*: credit determinations

are made by guild credit-arbitration processes, not by individual contract; producer and writer credit disputes go to guild arbitration, not court.

The 2023 strike-cycle settlements introduced (1) AI-replica consent and bargaining requirements (SAG-AFTRA); (2) streaming-success residuals (WGA, SAG-AFTRA); and (3) writers'-room minimum-staffing protections (WGA). These provisions are now baseline.

C. Profit Participation and Audit Rights

"Net profits" in Hollywood almost never produces participation payments to talent. Counsel should push for "modified adjusted gross" or "first-dollar gross" definitions, with negotiated overhead caps, distribution-fee caps, and interest-imputation limits. A typical contract permits one audit per accounting period, on 30–60 days' notice, at the talent's expense unless underpayment exceeding a threshold is found.

D. Idea Submission and *Desny* Claims

California recognizes an implied-in-fact contract claim for the unauthorized use of submitted ideas. The seminal authority is *Desny v. Wilder* (1956) 46 Cal.2d 715. *Desny* held that where a writer submits an idea to a producer with the reasonable expectation of payment if used, and the producer accepts the submission with knowledge of that expectation, the producer is liable on an implied-in-fact contract if the idea is used. *Id.* at 738–44.

The *Desny* claim is California-specific and has survived federal preemption challenges because it requires an additional element — the bilateral expectation of payment — beyond the rights protected by the Copyright Act. Studios manage *Desny* exposure through unsolicited-materials rejection policies, signed submission releases, and "clean-room" development practices. Counsel for writers should preserve evidence of the submission, the recipient's awareness of the expectation, and the substantial similarity of the resulting production.

Practice	Entertainment & Talent
Topics	Film & Television · Labor Law · Desny Claims
Publication	Practice guide · Chapter V · 2026

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