

'Men in Black' Director Barry Sonnenfeld Loses \$325,000 Arbitration to UTA (Exclusive)

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UPDATED: The arbitration ruling was confirmed in a court filing Wednesday in Los Angeles Superior Court. Sonnenfeld has appealed with a petition to vacate the award.



Barry Sonnenfeld

An arbitrator has ruled against director **Barry Sonnenfeld** in a dispute with his former talent agency over whether he is required to pay commissions on money he earned from the upcoming *Men in Black 3*.

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In a Directors Guild of America-Association of Talent Agents arbitration ruling filed Wednesday in Los Angeles Superior Court, Sonnenfeld is being forced to pay a 10 percent commission to United Talent Agency on his \$3.25 million fee despite parting ways with the agency years ago.

Sonnenfeld signed with UTA in 1990 and closed a deal dated April 4, 1995, to direct the first *Men in Black* (1997). His original pact for the film gave him a "rolling right of first negotiation" to direct future sequels at a salary equal to or better than what he got on *MiB*, according to the arbitrator's award, a copy of which was obtained by *THR*. Sonnenfeld later helmed *Men in Black II* in 2002 and is behind the camera on the upcoming *Men in Black 3*, which Sony will release during Memorial Day weekend. The **Will Smith-Tommy Lee Jones** threequel is expected to be a another huge hit.

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Sonnenfeld argued that he parted ways with UTA in mid-April 1995, or just after the *MiB* deal was

negotiated (he went to CAA and is currently repped by WME), and argued that he wasn't required to pay his former agents a commission on work he did years after severing ties. UTA, however, argued that the *MiB 3* directing job flowed from the smart work the agency did for the original film, and thus it should be paid its proper commission.

Evidence was submitted that Sonnenfeld paid UTA a 10 percent commission on the \$3.25 million he received up front to direct the first *MiB*. For *MiB 2*, Sonnenfeld paid CAA a \$325,000 commission, but CAA had agreed to indemnify the director if UTA made a claim on the money, which it did, so CAA ended up forwarding the \$325,000 on to UTA, according to the ruling. UTA then argued that it should be paid for the third film.

Hollywood litigator **Howard Weitzman**, who served as the private arbitrator for the case, agreed with UTA, awarding \$325,000 in commissions to the agency. The March award was filed with the court Wednesday because it still must be confirmed. But such approvals are typical.

UPDATE: Sonnenfeld has appealed the ruling, filing a petition in federal court to vacate the award. In the petition, Sonnenfeld argues that the DGA's agreement that governed his relationship with UTA precludes the agency from seeking commissions years after the relationship ended.

In addition, Sonnenfeld argues that Sony's Columbia Pictures didn't agree to the same terms of the original *Men in Black* deal for the third film, and that Weitzman ignored this fact when reaching his decision. "Columbia approached other directors about *MiB 3* before approaching Sonnenfeld, and refused to offer Sonnenfeld the contractually required ten percent of first dollar gross on *MiB 3* and final cut, among other highly material terms." (The petition says Sonnenfeld ultimately made \$20 million for *MiB 2*—wow—but agreed to direct the third film for less than half that.) Thus, the petition argues, "UTA is clearly not entitled to any commission from Sonnenfeld and the illegal arbitration award must be vacated."

Sonnenfeld was represented by **Edward Anderson** and **Camille Rustia** of Anderson General & Entertainment Law. UTA was repped by **Bryan Freedman** and **Steven Stiglitz** of Freedman & Taitelman.

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