LEOPOLDUS LAW

THE ENDORSEMENT DEAL

Reading, negotiating, and protecting the contract that rents your name

BRANDON LEOPOLDUS, ESQ.

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YOU ARE THE LICENSOR OF A VALUABLE ASSET, NOT A GRATEFUL RECIPIENT OF A FAVOR.

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Founder, Leopoldus Law, APC. Former professional baseball umpire.

READ THIS FIRST

YOU ARE RENTING THE MOST VALUABLE THING YOU OWN. NEGOTIATE LIKE IT.

An endorsement deal is not a gift and it is not free money. It is a license. You are renting the most valuable thing you own, your name, your face, your identity, to a company that will use it to sell something. Athletes leave enormous value on the table not because they cannot get deals, but because they sign the first draft the brand's lawyer wrote, and that draft was written to protect the brand, not you.

This guide walks the deal clause by clause from your side of the table. It shows you what each term does, where the traps sit, and what to push for, and it explains the law that stands behind you, because the same rules that let a brand pay for your endorsement are the rules that let you stop a brand that uses you without paying.

One principle governs everything below. You are the licensor of a valuable asset, not a grateful recipient of a favor. A brand that wants your name wants it because it moves product.

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A DEAL THAT LOOKS LIKE MONEY IS REALLY A DEAL ABOUT SCOPE.

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The bundle of rights, publicity, and false endorsement

CHAPTER 1

WHAT YOU ARE ACTUALLY SELLING

THE DOLLAR FIGURE IS WHAT YOU NOTICE. THE SCOPE IS WHAT YOU LIVE WITH.

Start with the asset, because if you do not understand what you own you cannot understand what you are giving away. What a brand buys is a bundle of rights in your identity: your name, image, likeness, sometimes your voice, your signature, your social channels, your time, and the implication, worth more than all the rest, that you personally stand behind the product.

That bundle is property. It has a market value that rises and falls with your career, and every clause in an endorsement contract is really a negotiation over which pieces of the bundle you hand over, how widely the brand may use them, and for how long. You are not being paid to appear in an ad. You are licensing defined rights in a valuable asset, and the craft of the deal is defining those rights so they are worth what you are paid and no more.

KEEP THE FRAMING

A deal that looks like it is about a dollar figure is really about scope. Hold that framing through every clause that follows, and read the deal as an owner, not a guest.

CHAPTER 1

THE LAW THAT STANDS BEHIND YOU

TWO BODIES OF LAW GIVE YOUR SIGNATURE ITS VALUE

Your right of publicity is your right to control the commercial use of your identity. In California a statute makes anyone liable who knowingly uses your name, voice, signature, photograph, or likeness for advertising without consent, with a damages floor and attorney's fees.[1] The common-law right reaches further: the question is simply whether someone appropriated your identity, by whatever method.[2]

Federal false-endorsement law, under the Lanham Act, lets you sue when a company uses your identity in a way likely to confuse the public into thinking you sponsor a product, and you do not have to be the brand's competitor to sue.[3] The claim reaches beyond a literal photograph, courts have applied it to a deliberately imitated voice[4] and a distinctive physical signature, even without a visible face.[5]

Brands sometimes wave at free-speech defenses when caught using an athlete without permission, but those defenses do not travel well into ordinary product advertising. Every endorsement agreement is, at bottom, your consent, given on your terms and for your price, to uses that would otherwise be unlawful. That is why the scope of your consent is the whole game.

THE CONTRACT IS THE BRAND BUYING ITS WAY OUT OF THE LAW THAT PROTECTS YOU.

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CHAPTER TWO

THE DEAL, AND THE GRANT OF RIGHTS

The shape of the fight, and the clause that decides it

CHAPTER 2

THE DEAL ON ONE PAGE

READ DOWN THE COLUMN AND YOU CAN SEE WHERE THE FIGHT IS

TERM	THE BRAND'S FIRST DRAFT	WHAT YOU SHOULD PUSH FOR
Grant of rights	Broad: all media, all uses, forever	Defined: named media and uses, nothing implied
Exclusivity	Wide category lockout, unpaid	Narrow category, paid for, with carve-outs
Term	Long, with automatic renewal	Fixed, renewal only by mutual agreement
Territory	Worldwide	Where the brand actually sells
Compensation	Flat fee, paid on their schedule	Fee plus performance, clear payment dates
Content ownership	Brand owns everything created	Brand licenses; you keep or share rights
Morals clause	Broad, subjective, one-directional	Objective triggers, and a reverse clause on them
Termination	Brand may exit at will; you cannot	Symmetric exits and survival of earned pay

Nothing in the right-hand column is exotic. It is the ordinary result of reading the deal as an owner rather than a guest. The rest of this guide is how you get there, clause by clause.

CHAPTER 2

THE GRANT OF RIGHTS: THE CLAUSE YOU WILL SKIM

EVERYTHING YOU ARE ACTUALLY SELLING LIVES IN THIS PARAGRAPH

A grant clause names the rights you license, the media the brand may use them in, and the uses permitted, including the dangerous catch-all, "and related purposes." The broader each list, the more of your bundle you have handed over for the same money. The traps are open-ended words: "in all media now known or hereafter devised," "in perpetuity," "for any purpose." Each quietly converts a defined license into a blank check.

Define everything and let nothing be implied. List the specific media and uses. Tie the grant to the term, so the brand's right to use your identity ends when the deal ends. Strike "perpetuity" and "all media now known or hereafter devised." If the brand wants a new use later, that is a new deal at a new price.

THE RESERVED-RIGHTS SENTENCE

"Any right not expressly granted in this agreement is reserved to the athlete." That single sentence flips the default: without it, ambiguity favors the drafter; with it, the burden is on the brand to have asked for what it wants. It is the cheapest protection in the contract.

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EXCLUSIVITY, TERM & TERRITORY

What you're promising not to do, and where the deal lives

CHAPTER 3

EXCLUSIVITY: WHAT YOU PROMISE NOT TO DO

OFTEN THE MOST EXPENSIVE THING YOU GIVE A BRAND

Exclusivity is the promise that you will not endorse competitors. It does not just grant a use; it takes away your ability to earn elsewhere, and brands routinely try to get it for free, defined so broadly that it locks up categories they do not even compete in. A shoe deal claiming "footwear, apparel, and accessories" has just taken your sunglasses, watch, and bag deals off the table. Worse is exclusivity that survives the term, sterilizing your most valuable categories while you earn nothing.

Narrow the category to what the brand actually sells and competes in, and write it with specificity so it cannot creep. Carve out the adjacent categories you want to keep. Insist exclusivity is a paid term, priced separately, because you are giving up real income to provide it. Resist post-term exclusivity, or if you must grant it, keep it short and get paid for it.

THE EXCLUSIVITY CLAUSE IS WHERE THE MONEY YOU NEVER SEE GETS GIVEN AWAY.

CHAPTER 3

TERM, RENEWAL, AND THE OPTION TRAP

TIME IS ON YOUR SIDE ONLY IF YOU KEEP CONTROL OF IT

An automatic-renewal clause rolls the deal over unless you affirmatively cancel by a narrow deadline. Miss the window and you are locked in for another full term at the old price, while your value may have doubled. Strike it and replace it with a clean expiration: the deal ends, and any continuation is a fresh negotiation.

An option gives the brand the right to extend on set terms, at their choice, not yours. A multi-year option at today's rate is a bet against your own career: if you break out, the brand extends cheaply and you are trapped; if you fade, they walk. If you grant an option at all, make it pay a real premium and cap how many years it can reach. Better still, replace it with a right of first negotiation, which gives the brand a seat at the table without pricing your future today.

WHAT TO PUSH FOR

A fixed term with a clean end date, no automatic renewal, and either no option or one that pays a real premium and expires quickly.

CHAPTER 3

TERRITORY: WHERE THE DEAL LIVES

"WORLDWIDE" COSTS THE BRAND NOTHING TO ASK FOR

A worldwide grant hands the brand markets it may not even sell in, and forecloses a separate deal with a different, non-competing brand elsewhere. If a company sells only in North America, a worldwide grant gives it Asia and Europe for free. Match the territory to where the brand actually does business, and reserve the rest. If the brand genuinely operates globally, worldwide may be fair, but it should be priced as the valuable thing it is, not conceded as boilerplate.

For an athlete with international appeal, territory is not just a limit; it is an asset to split. Your home market, the market where you play, and the market where you were born can each support a separate, non-competing deal. Think of the map the way a licensor does, distinct territories each with its own value, rather than one block handed over for the convenience of saying "worldwide."

TERRITORY IS PRICED, NOT ASSUMED.

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COMPENSATION & APPROVAL

How you get paid, and how you keep a hand on the image

CHAPTER 4

COMPENSATION: HOW YOU GET PAID

STRUCTURE MATTERS AS MUCH AS SIZE

FLAT FEE
Simple and certain, but it does not share in success, and is what a brand prefers when it expects the campaign to outperform.

FEE PLUS PERFORMANCE
A base plus bonuses tied to sales or milestones. Lets you share the upside you help create.

ROYALTY / REVENUE SHARE
A percentage of sales, common in signature-product deals. Define it precisely: percentage of what, net of what, reported and audited how.

EQUITY
Increasingly common with startups. Treat it as a real investment decision, not a shiny substitute for a fee.

Pin down the mechanics: exactly when each payment is due, what happens to earned but unpaid amounts if the deal ends early. Ask to see structures priced side by side before you pick, rather than accepting the flat fee simply because it was the number on the table.

CHAPTER 4

APPROVAL RIGHTS: PROTECTING HOW YOU'RE SHOWN

WITHOUT THEM YOUR ONLY RECOURSE IS AFTER THE DAMAGE IS DONE

Negotiate the right to approve the material ways your identity is used: the final creative, the specific photographs, the claims made in your name, and any edits or composites. Approval should be reasonable and time-boxed, but it should be real. "Use only images approved by Athlete, such approval not to be unreasonably withheld" is the floor.

Approval also has a defensive dimension athletes rarely negotiate: the right to require a use to come down. If an image or claim starts causing a problem, a well-drafted clause gives you a path to have it pulled going forward, rather than leaving it running because the contract only spoke to approval at the front end. Your identity is being used, and you should keep a hand on how, not just whether.

WHAT GOES OUT UNDER YOUR NAME SHOULD BE SOMETHING YOU AGREED TO.

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Where disputes are actually won and lost

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THE MORALS CLAUSE, AND THE REVERSE

BOTH NAMES ARE ON THE PRODUCT

A typical clause lets the brand exit if you commit a crime or bring it into "public disrepute." The traps are subjectivity and breadth: a clause that triggers on anything the brand, in its "sole discretion," believes reflects poorly on it is a termination-at-will clause wearing a costume, and one reaching mere accusations lets a single unproven claim end your deal and reclaim your pay.

Tie the trigger to objective, serious events: conviction, not arrest; proven conduct, not accusation. Protect earned compensation. And insist on the piece brands hate to give: a reverse morals clause, letting you terminate and keep your pay if the brand damages you by association, a scandal, a recall, an executive's disgrace. The framing that works is fairness and symmetry, not permission to misbehave.

THE RISK RUNS BOTH WAYS, AND SO SHOULD THE CLAUSE.

CHAPTER 5

CONTENT: WHO OWNS WHAT YOU MAKE

A LICENSE TO USE IS NOT THE SAME AS OWNERSHIP FOREVER

Modern deals ask you to create posts and videos, and the contract will quietly decide who owns that content and the footage shot of you. The default the brand writes is that it owns everything, forever. The brand needs a license to use the content it paid for, during the term. That is fair. But if it owns the raw footage outright and in perpetuity, it can use that material in ways and at times you never contemplated, long after the deal is over.

Push for the brand to receive a license scoped to the deal rather than outright ownership, or at minimum for the grant to expire with the term. For content you create on your own channels, keep your ownership of your channel and your following; the brand is renting access to your audience, not buying it.

CHAPTER 5

THE CLAUSES IN THE BACK THAT DECIDE WHO WINS

BRANDS COUNT ON YOU NEVER READING IT

INDEMNIFICATION

Indemnify only for what is genuinely within your control, your own breach or misconduct, never the brand's product defects or advertising claims.

ASSIGNMENT

Require your consent before the deal, and your identity, can be transferred to an acquirer or licensee you never chose.

REPRESENTATIONS & WARRANTIES

Keep yours truthful and bounded, not sweeping guarantees about the product's future performance or public reception.

CONFIDENTIALITY & NON-DISPARAGEMENT

Make confidentiality mutual. Keep non-disparagement narrow, tied to bad-faith statements, not silence about a brand behaving badly.

DISPUTE RESOLUTION & GOVERNING LAW

The brand will choose its home turf. Negotiate a neutral or convenient forum, and know whether you have agreed to arbitration.

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FTC DISCLOSURE & UNAUTHORIZED USE

The rule you cannot skip, and what happens without a deal

CHAPTER 6

THE DISCLOSURE YOU CANNOT SKIP

ENFORCEMENT CAN REACH YOU AS MUCH AS THE BRAND

The FTC requires that when you endorse a product and have a material connection to the brand, paid, given free product, or given anything of value, that connection be clearly and conspicuously disclosed.[6] A paid post that reads like an unpaid rave, with no disclosure, is exactly what the rules forbid.[7] Disclose in a way an ordinary person would notice, "#ad" or "paid partnership," not buried in a thicket of hashtags.

An athlete's audience trusts the athlete, which is exactly why an undisclosed paid relationship is treated as deceptive. Beyond disclosing the relationship, the endorsement itself has to be honest: claims about what a product does have to be backed by evidence the brand can produce. Build the disclosure standard into the contract, and make the brand responsible for giving you compliant language.

DONE CLEANLY, DISCLOSURE COSTS THE CAMPAIGN NOTHING, AND TAKES THE RISK OFF THE TABLE.

CHAPTER 6

WHEN A BRAND USES YOU WITHOUT A DEAL

A BRAND THAT "GETS CREATIVE" IS BUILDING YOUR CASE FOR YOU

If a company uses your identity, or a recognizable evocation of you, to sell something without consent, you generally have a right-of-publicity claim, and in California a statutory one with a damages floor and attorney's fees regardless of how small the provable harm.[1] If the use is likely to make the public think you endorse the product, you may also have a federal false-endorsement claim.[3]

Under the California statute you can recover the greater of actual damages or a statutory floor, plus the brand's profits from the unauthorized use, plus your attorney's fees, the provision that makes even a modest claim worth bringing. Document the use, preserve it before it disappears, and get counsel promptly, because these claims have deadlines and a firm, early demand often resolves the matter without a lawsuit.

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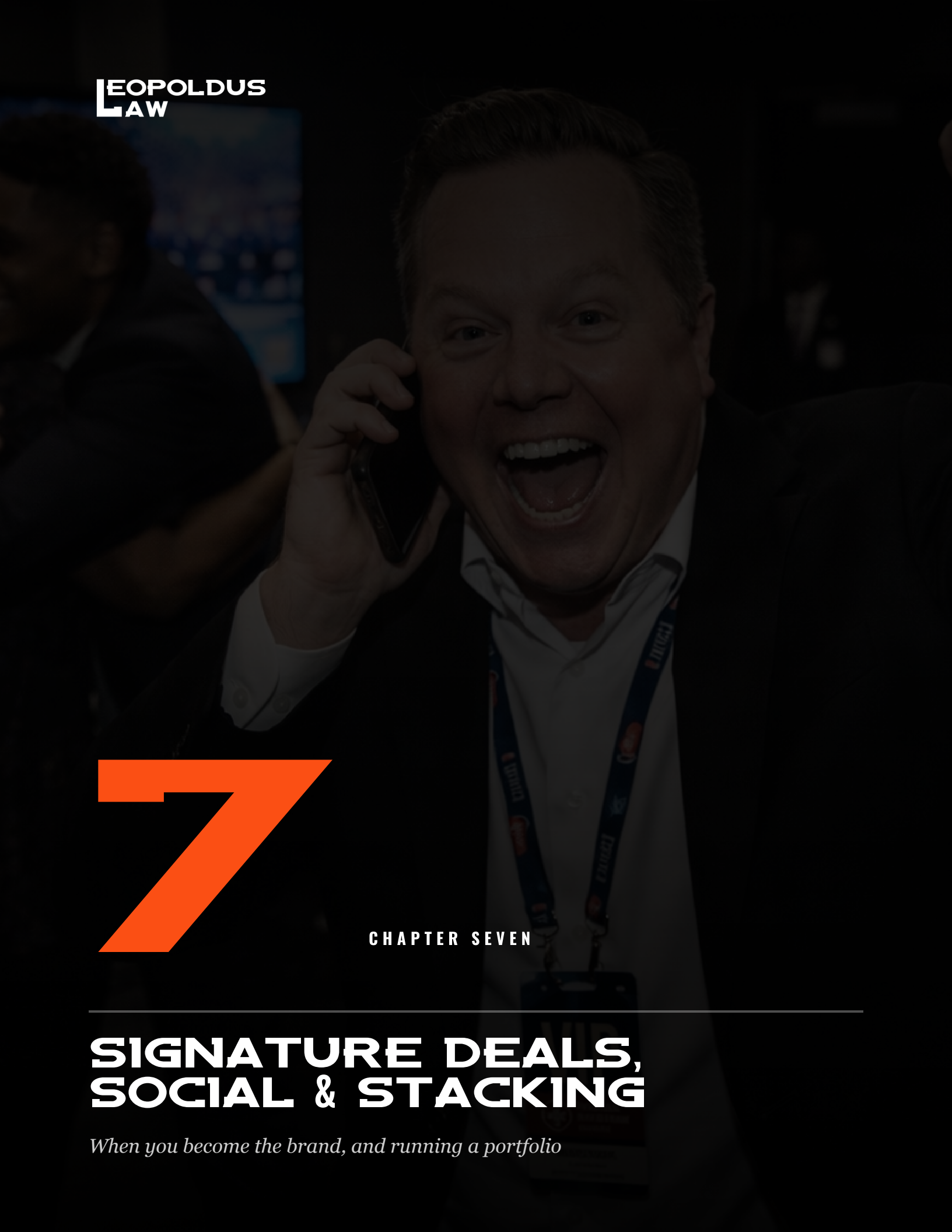

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SIGNATURE DEALS, SOCIAL & STACKING

When you become the brand, and running a portfolio

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THE SIGNATURE-PRODUCT DEAL

WHEN YOU ARE TYING YOUR NAME TO A PRODUCT'S ENTIRE COMMERCIAL LIFE

A royalty is a percentage of sales, and the fight is in every word of that sentence: a percentage of what, gross, net, or wholesale; net of what deductions; paid on what schedule. Define the base, cap the deductions, and put it in writing, because a royalty you cannot compute is a royalty you cannot collect. If your pay depends on the brand's sales figures, an audit clause lets you inspect the books, and it should provide that the brand pays for the audit if it reveals a material underpayment.

A signature deal should carry a guaranteed minimum, so a brand that under-invests cannot leave you with a royalty on sales that never happen. It should give you meaningful approval over how your name is used on the product itself, and say clearly what happens when the deal ends: the brand stops production, sells through remaining inventory on defined terms, and your rights return to you.

CHAPTER 7

THE SOCIAL DELIVERABLE, PRICED AND SCOPED

THIS LOOKS CASUAL AND IS ANYTHING BUT

Define the deliverables exactly: how many posts, on which platforms, over what period, with how much lead time for approval. "Reasonable social support" becomes an open-ended obligation the brand will read generously. Price the deliverables as what they are, access to an audience you built.

Two traps hide here. Whitelisting: a brand that pays for one post will often want to run it as a paid ad, boosting it to audiences far beyond your followers, a more valuable use that should be separately granted and priced. And your channel itself: the brand is renting access to your audience, not buying it. Keep ownership of your handles, your followers, and your content.

THE USE OF THE CONTENT CAN BE WORTH MORE THAN THE CONTENT ITSELF.

CHAPTER 7

STACKING DEALS WITHOUT COLLISIONS

A PORTFOLIO, NOT ONE DEAL AT A TIME

A successful athlete runs a portfolio of deals, and the portfolio is where they quietly sabotage each other. The exclusivity granted to one brand can foreclose a deal with another; a category defined too broadly in a shoe deal can kill an apparel deal worth more; a morals clause in one contract can be triggered by conduct another required.

Keep a live map of every commitment: each category locked up, each exclusivity's width and duration, so a new deal can be checked against the existing book before you sign it, not after. Sequence the calendar, an exclusivity expiring next quarter may free a category worth more than the deal in front of you today.

MANAGE THE BOOK AS A WHOLE

The athlete who signs each deal in isolation ends up with a portfolio that fights itself. The one who manages the book extracts more from every category and never gets ambushed by a conflict they granted themselves.

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CHAPTER EIGHT

HOW A DEAL GETS DONE, AND SHOWING UP

The arc of a negotiation, and the fine print of your time

CHAPTER 8

HOW A DEAL ACTUALLY GETS DONE

KNOWING THE STAGES TELLS YOU WHEN TO SLOW DOWN

THE TERM SHEET

A short summary of the business points. It feels informal, and that is the danger; the anchors it sets are hard to reopen later. Treat it as the real negotiation.

THE LONG-FORM AGREEMENT

Where the business points meet the grant of rights, morals clause, and indemnity. A favorable term sheet can still become an unfavorable deal here.

APPROVALS, EXECUTION & THE LIFE OF THE DEAL

A well-drafted deal makes this stretch quiet, because the terms were pinned down in advance. A poorly drafted one makes it a running argument.

The goal of everything in this guide is a deal that, once signed, largely runs itself, and pays you on time, on terms you chose.

CHAPTER 8

THE FINE PRINT OF SHOWING UP

THE SERVICES HALF OF THE DEAL GETS LESS ATTENTION THAN THE LICENSE HALF

Pin down exactly what you owe: how many appearance days, of what length, with how much notice, and what counts as a day. A clause entitling the brand to "reasonable promotional appearances" is an open door; a fixed number of capped-hour days, scheduled by mutual agreement with real notice, is an obligation you can plan a life around. The most valuable thing you have during a season is your time and recovery.

The deal should say the brand covers travel and lodging at a standard appropriate to your stature, and that appearances will not conflict with your competitive obligations. It should address what happens if injury or a scheduling conflict prevents an appearance, so a missed date is rescheduled rather than treated as a breach. The appearance clause is where an endorsement quietly becomes a job, and defining it is how you keep it an endorsement.

REFERENCE

A NEGOTIATION CHECKLIST

Every item is a clause covered above, turned into a question.

1	Grant of rights: are media and uses specifically listed, everything else reserved to me?
2	Have "perpetuity" and "all media" been struck, and is the grant tied to the term?
3	Exclusivity: narrow, specific, paid for, and free of post-term lockout?
4	Term: fixed end date, no automatic renewal, any option priced with a real step-up?
5	Territory: matched to where the brand actually sells, the rest reserved?
6	Compensation: structure, amount, exact payment dates, and treatment of earned pay on early termination all defined?
7	Approval: do I approve the final creative, the images, and the claims made in my name?
8	Morals clause: objective triggers, proven conduct, protected earned pay, a reverse clause on the brand?
9	Content: scoped license rather than perpetual ownership, and do I keep my channel and audience?
10	Indemnity: am I on the hook only for my own breach and conduct, not the brand's product or claims?
11	Assignment: is my consent required before the deal and my identity can be transferred?
12	Dispute resolution: do I know the governing law, the forum, and whether I've agreed to arbitration?
13	FTC: is the disclosure standard in the contract, with the brand responsible for compliant language?

REFERENCE

SCENARIOS FROM THE FIELD

THE EXCLUSIVITY THAT ATE THREE DEALS

A rising athlete signed a footwear deal whose exclusivity, unread, covered "footwear, apparel, and accessories." She turned down an eyewear, watch, and bag deal, all non-competing, all lost to a category nobody had negotiated.

THE REVERSE CLAUSE THAT SAVED A REPUTATION

Counsel insisted on a reverse morals clause over the brand's objection. When the founder was later publicly disgraced, the athlete terminated cleanly and kept his pay before the association hardened onto him.

THE UNAUTHORIZED BILLBOARD

A regional company ran a campaign built around a look-alike and sound-alike of a well-known athlete, without a deal. Counsel documented it, sent a firm demand, and resolved it for a meaningful payment and an immediate takedown.

REFERENCE · CONTINUED

MORE SCENARIOS FROM THE FIELD

THE WHITELISTING NOBODY PRICED

An athlete agreed to three posts for a set fee. The brand ran them as paid ads for months, spending far more to amplify them than it paid him, reaching audiences many times his following, and nothing in the deal priced that use.

THE SIGNATURE LINE WITH NO MINIMUM

An athlete signed a royalty deal thrilled by the percentage, uninterested in the details. The brand under-invested, the product barely shipped, and his royalty on almost nothing was almost nothing. A minimum and real approval rights would have produced income or let him walk.

REFERENCE

FREQUENTLY ASKED QUESTIONS

DO I REALLY NEED A LAWYER FOR A STRAIGHTFORWARD DEAL?

For anything with real money or exclusivity, yes. The "straightforward" deals are exactly the ones where a broad grant and a perpetual license get signed without a fight.

THE BRAND SAYS THESE TERMS ARE "STANDARD" AND NON-NEGOTIABLE. TRUE?

"Standard" means standard in the draft they wrote. Nearly everything in an endorsement contract is negotiable.

IS A BIGGER FLAT FEE ALWAYS BETTER THAN FEE PLUS PERFORMANCE?

Not always. It depends on trajectory and risk appetite, but you should see both structures priced before you choose.

CAN I GET OUT OF A DEAL IF THE BRAND EMBARRASSES ME?

Only if you negotiated the right to. That is what a reverse morals clause does, and it is why you should insist on one.

WHAT IF I STOP LIKING OR USING THE PRODUCT?

The contract usually requires you to actually use the product, and FTC rules require your endorsement be honest. If you cannot stand behind it, that's a conversation for counsel, not a unilateral post.

A COMPANY USED MY PICTURE WITHOUT ASKING. WORTH PURSUING?

Often, yes, especially in California where the statute provides a damages floor and attorney's fees. Document it, preserve it, and get counsel promptly.

REFERENCE · CONTINUED

MORE FREQUENTLY ASKED QUESTIONS

DOES AN ENDORSEMENT DEAL AFFECT MY TAXES OR ENTITY STRUCTURE?

Yes. Endorsement income is often best received through the right entity, coordinated with your tax planning, rather than personally and in isolation.

SHOULD I TAKE EQUITY IN A STARTUP INSTEAD OF A FEE?

Sometimes, but treat it as an investment, not a discount. Do the diligence you would do before writing a check of that size.

WHAT IS "WHITELISTING" OR "AMPLIFICATION," AND WHY SHOULD I CARE?

The brand running your post as a paid ad to audiences beyond your followers, a more valuable use the first draft slips in for free. Separate it, grant it, price it.

THE DEAL IS SMALL. IS ALL THIS NEGOTIATION WORTH THE EFFORT?

Scale the effort to the deal, but don't skip the grant of rights and exclusivity. A small fee attached to a perpetual, broad-lockout grant is a small payment for a large concession.

CAN I ENDORSE A COMPETITOR AFTER THE DEAL ENDS?

Only if you did not grant post-term exclusivity. Many drafts quietly extend the lockout past the term. Check for it and strike it if you can.

REFERENCE

A GLOSSARY

Grant of rights. The clause defining exactly which rights in your identity the brand may use, in which media, for which purposes.

Right of publicity. Your right to control the commercial use of your identity, existing in California as both a statute and a common-law tort.

False endorsement. A federal Lanham Act claim for using your identity in a way likely to confuse the public into thinking you sponsor a product.

Exclusivity. Your promise not to endorse competitors in a defined category during, and sometimes after, the term.

Category. The product space in which exclusivity applies; its width is one of the most valuable terms in the deal.

Term. How long the deal lasts, and the home of the automatic-renewal and option traps.

Option. The brand's right to extend the deal on set terms at its choice; dangerous unless it pays a real premium.

Territory. The geographic markets in which the brand may use your identity.

Morals clause. The brand's right to terminate, and sometimes claw back pay, on your misconduct.

Reverse morals clause. Your mirror-image right to terminate, and keep your pay, on the brand's misconduct.

Indemnification. The allocation of who pays when a third party is harmed or sues; keep yours limited to your own conduct.

Material connection. Any payment or thing of value tying you to a brand that must be disclosed under FTC rules when you endorse it.

Readily identifiable. The standard for whether a depiction counts as your protected likeness; met even from a distinctive stance or evocation.

Whitelisting / amplification. The brand running your organic post as a paid ad to audiences beyond your followers; a distinct, more valuable use.

Audit right. Your right to inspect the brand's books to verify a royalty, ideally with the brand paying for the audit on a material shortfall.

Guaranteed minimum. A floor on your compensation in a royalty deal, so a brand that under-invests cannot leave you a percentage of nothing.

Term sheet. The short summary of business points signed before the long-form contract; it sets the anchors, so it is the real negotiation.

Reserved rights. The principle, stated in one sentence, that anything not expressly granted stays yours, resolving ambiguity in your favor.

REFERENCE

TEN MYTHS THAT COST ATHLETES MONEY

EACH SOUNDS REASONABLE. EACH HAS COST A REAL ATHLETE REAL VALUE.

1. **"An endorsement deal is free money."** It is a license of a valuable asset. Priced and scoped wrong, it can cost you more in lost categories than it pays.

2. **"The dollar figure is the deal."** The scope is the deal. A big number attached to a perpetual, worldwide, broad-exclusivity grant is often a bad deal.

3. **"These terms are standard, so I cannot change them."** Standard means standard in their draft. Nearly everything is negotiable.

4. **"Exclusivity only covers their exact product."** Only if you make it. Left alone, the category creeps across adjacent markets.

5. **"Perpetuity doesn't matter; the campaign is short."** A perpetual grant lets the ad, and your image, run for life. Tie the grant to the term.

6. **"A morals clause is just boilerplate."** It is the brand's exit ramp. Left broad, it is a termination-at-will clause, and it runs only against you unless you add the reverse.

7. **"The brand owns the content, and that's normal."** A scoped license is normal; perpetual ownership of footage of you is not, and it follows you.

8. **"Disclosure is the brand's problem, not mine."** FTC enforcement can reach the endorser. The obligation is yours too.

9. **"If a company uses my picture, there is nothing I can do."** Publicity and false-endorsement law give you real, often fee-shifting, leverage.

10. **"I should take the money and sort out the rest later."** How you receive endorsement income is part of the deal. Coordinate it with your entity and tax planning up front.

11. **"Equity is basically free upside."** Equity in a company that fails is worth zero. Treat it as an investment and do the diligence.

12. **"The term sheet is just a formality."** It sets the anchors the whole contract is built on. Concede a point there and you will rarely win it back.

Notice the thread: every myth treats the endorsement as something happening to the athlete rather than a transaction the athlete controls. Replace that posture with the owner's posture, and the myths dissolve on their own.

REFERENCE

WHAT TO DO NEXT

If a deal is on the table, or your name is already out there, here is the order.

1	Read the grant of rights first, and define it: named media, named uses, everything else reserved, tied to the term.
2	Attack the exclusivity: narrow the category, price it, and strip out post-term lockout.
3	Fix the term: clean end date, no auto-renewal, options only with a real step-up.
4	Match the territory to where the brand sells, and reserve the rest.
5	Structure compensation with exact payment dates, and coordinate with your tax and entity planning.
6	Negotiate approval rights, a fair morals clause, and a reverse morals clause on the brand.
7	Scope the content license, limit your indemnity, and require consent for assignment.
8	Build the FTC disclosure standard into the deal, with the brand supplying compliant language.
9	If a brand has used you without a deal, document it, preserve it, and get counsel promptly.

The endorsement deal is one of the few places an athlete negotiates from real strength, because the brand needs something only you own. Read it as an owner, define what you are selling, and price the scope, not just the appearance.

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Founder, Leopoldus Law, APC

Brandon Leopoldus umpired in professional baseball before he ever practiced law. Five leagues. Seven playoff series. Two All-Star games. One championship series. One infamous appearance on SportsCenter. That path, through the minor leagues and an Olympic family, is the lens he brings to every matter at Leopoldus Law, APC.

Leopoldus Law is a sports and entertainment boutique in Culver City, California. Brandon negotiates and papers endorsement and licensing deals for athletes and entertainers, protects clients' name, image, and likeness when brands use them without permission, and coordinates that work with the entity and tax structures that hold the income. He sits on the board of the Sports Lawyers Association and teaches Sports Law at Loyola Law School.

The firm works with athletes, entertainers, and the people who advise them. Sports clients only. No exceptions.

REFERENCE

ENDNOTES & DISCLOSURES

A NOTE ON HOW TO USE THIS GUIDE

This guide is educational and current as of mid-2026. Right-of-publicity law, Lanham Act doctrine, and FTC endorsement-disclosure rules develop over time, and specifics stated here may have changed or may not fit a particular deal or jurisdiction. It is not legal advice, and reading it does not make Leopoldus Law your lawyer. Confirm the current rules and have counsel review any endorsement agreement before you sign.

ENDNOTES

1. Cal. Civ. Code § 3344 (statutory right of publicity; liability for the knowing use of another's name, voice, signature, photograph, or likeness for advertising or selling without consent, plus a minimum statutory damages floor and attorney's fees).

2. *Kareem Abdul-Jabbar v. Gen. Motors Corp.*, 85 F.3d 407 (9th Cir. 1996) (California's common-law right of publicity is not limited to name or likeness; the key issue is appropriation of identity, and commercial custom can let a jury infer an endorsement from a celebrity's use in a television commercial).

3. Lanham Act § 43(a), 15 U.S.C. § 1125(a); *Tom Waits v. Frito-Lay, Inc.*, 978 F.2d 1093 (9th Cir. 1992) (false-endorsement claims, including those premised on unauthorized imitation of a distinctive attribute of identity, are cognizable, and a celebrity has standing without being a competitor).

4. *Bette Midler v. Ford Motor Co.*, 849 F.2d 460 (9th Cir. 1988) (deliberate commercial imitation of a widely known, distinctive professional singer's voice is a tortious appropriation of identity under California common law).

5. *Donald Newcombe v. Adolf Coors Co.*, 157 F.3d 686 (9th Cir. 1998) (a depiction constitutes a protected likeness only if the plaintiff is "readily identifiable"; a pitcher's distinctive stance can suffice even without a visible face).

6. FTC Guides Concerning the Use of Endorsements and Testimonials in Advertising, 16 C.F.R. pt. 255 (a material connection between an endorser and a marketer must be clearly and conspicuously disclosed). Enforcement and guidance in this area continue to evolve; confirm current terms.

7. Federal Trade Commission Act § 5, 15 U.S.C. § 45 (prohibiting unfair or deceptive acts or practices, the enforcement hook behind the endorsement-disclosure rules).

DISCLOSURES

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