

Matter of Skutch Publ., Inc.

2012 NY Slip Op 33615(U)

July 28, 2012

Sur Ct, New York County

Docket Number: 2013-2913/A

Judge: Nora S. Anderson

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New York County Surrogate's Court
DATA ENTRY DEPT.

JUL 28 2014

SURROGATE'S COURT : NEW YORK COUNTY

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In the Matter of the Application of Skutch
Publishing, Inc., for a Decree pursuant
to Arts and Cultural Affairs Law §35.03
Approving a certain Contract for artistic
or professional services of

File No. 2013-2913

JOSETTE DIAZ,

An Infant.

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In the Matter of the Application of Skutch
Entertainment, Inc., for a Decree pursuant
to Arts and Cultural Affairs Law §35.03
Approving a certain Contract for artistic
or professional services of

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A N D E R S O N , S.

In these two miscellaneous proceedings brought pursuant to Arts and Cultural Affairs Law §35.03, Skutch Publishing, Inc., and Skutch Entertainment, Inc., referred to collectively as "Skutch" or "petitioner," seeks judicial approval of two contracts, a music publishing agreement and an exclusive recording agreement, for the services of a 15 year old infant. If the contracts are approved, the infant may not, either during her minority or upon reaching majority, disaffirm the agreements on the ground of infancy (Arts and Cultural Affairs Law §35.03[1]).

Petitioner also asks the court to appoint the infant's parents as limited guardians to receive and hold one-fourth of the infant's net earnings pursuant to Arts and Cultural Affairs

Law § 35.03(3), and to seal the entire record of these proceedings.

A hearing was held before a court attorney/referee on June 24, 2014. Testimony was rendered by: an attorney for Skutch; the attorney who represented the infant and her parents in the negotiation of the contracts; the infant's father, who, along with her mother, has been managing the infant's song-writing and recording activities; and the infant herself. The guardian ad litem appointed for the infant, who is familiar with entertainment law and the entertainment business, actively participated in the hearing.

The guardian ad litem recommended certain changes to the contracts which Skutch has accepted. She recommends that the contracts as amended be approved.

The record indicates that the terms of the contracts as amended are typical of these types of contracts or, in some respects, are more favorable to the infant than is typical; that the infant understands her obligations under the contracts, is desirous of pursuing a career in music and is ready and willing to meet those obligations; that the financial terms of the contract are fair to the infant and her family and are otherwise in accord with the infant's interests; and that the contracts meet the statutory requirements of Arts and Cultural Affairs Law § 35.03. The infant and her parents were represented by an

experienced entertainment lawyer during the contract negotiations.

Based on the evidence presented and the report of the guardian ad litem, the court finds that the contracts are fair and consistent with industry practices, and that they adequately protect the infant's professional and pecuniary rights. Accordingly, the contracts are approved as being in the infant's best interests.

The infant's parents are appointed as limited guardians to receive and hold one-fourth of the infant's net earnings pursuant to Arts and Cultural Affairs Law §35.03(3) and (7).

Petitioner also requests the permanent sealing of the court record in this matter pursuant to Uniform Rules for Trial Courts (22 NYCRR 216.1). Case law favors the disclosure of court files in order to satisfy the public interest in knowing what transpires in court proceedings (*Mosallem v Berenson*, 76 AD3d 345 [1st Dept 2010]). Deviation from the usual rule favoring open court records accordingly requires a weighing of the public right to know against special circumstances which establish that such disclosure would be harmful to the parties (*Mancheski v Gabelli Group Capital Partners*, 39 AD 3d 499, 502 [2d Dept 2007]). Such special circumstances include the protection of children (*Matter of Twentieth Century Fox Film Corp.*, 190 AD2d 483 [1st Dept 1993]) and the risk of personal or economic harm (*see, e.g.,*

Mancheski v Gabelli Group Capital Partners, supra; Danco Lab, v Chemical Works of Gedeon Richter, 274 AD2d 1 [1st Dept 2000]). Both of these special circumstances are present here, since the court must review personal and financial information about the infant and her family and the financial details of the proposed agreements (*Matter of Twentieth Century Fox Film Corp., supra, 190 AD2d at 487*). This mandated disclosure, if publically revealed, not only carries the risk of subjecting the child and her family to unwanted and undeserved public attention, but could also harm the infant's competitive standing in the music industry. The court thus approves a limited sealing of the portions of the record which contain the infant's home address and social security number and the financial and business details contained in the contracts.

Decrees signed.

NSA

S U R R O G A T E

Dated: July 20, 2012