

Example ADR

Momo and Bobo are in a band Idol One together with a bunch of hired musicians that aren't actually part of the band. After recording a new very successful album, Momo and Bobo start a 2-month US track for shows with five shows per week. On average, the band makes \$10,000 a show in fees and \$2,000 a show in merchandise. In addition, Momo and Bobo each make an additional \$200/week selling solo CDs at the show that includes one song from each artists' solo album that is performed lived during every show.

Momo and Bobo pay the band a total of \$2,500 a week, and incur \$1,000 in travel related expenses per week. In addition, Momo and Bobo evenly split the hotel reward points from the tour that equate to an additional value of about \$100/week.

On the first day of the second week of the tour, Momo accidentally breaks Bobo's hand. Momo was being somewhat careless in swinging a musical instrument, and both Mom and Bobo had a bit too much to drink. Bobo is unable to play and complete the remaining 8 weeks of the tour. If the band cancelled the tour, neither Momo or Bobo would make any additional money or incur any further expenses. A hired musician replacement to take Bobo's place would cost \$750/week.

Negotiate a deal on behalf of your client (either Momo or Bobo) as to what will happen with the summer tour.