**Title:** Why Are Personal Service Contracts All the Rage in Professional Sports?

**Subtitle:** When Albert Pujols signed his blockbuster deal with the Los Angeles Angels a few months ago, the contract contained an increasingly common clause—a personal service contract.

**Meta Description:** What is a personal service contract? Why are they so prominent these days? Find out about the increasingly popular marketing tool here.

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**Author:** Anthony R. Caruso

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Although the little known provision didn’t make the headlines when the ten-year contract was announced, it is certainly worth discussing here.

The terms of every personal services provision will vary, but they generally require the player to attend organization events (i.e. opening day, playoff games, charity fundraisers etc.) and keep their image within the brand. To sweeten the deal for the athlete, the contracts sometimes give the player a portion of merchandising revenue connected with his or her name.

While personal services contracts are becoming more common, they are not new. In 1993, the Texas Rangers signed Nolan Ryan to a 10-year personal service contract under which he performed promotional and ceremonial roles.

Personal services contracts are not limited to professional baseball players. For example, a St. Louis school paid $25,000 to Olympic gold medalist, Jackie Joyner-Kersee, to organize a children's wellness program and appear at events.

In the case of Pujols, the personal services clause ties the star player to the Angels for at least twenty years, likely far beyond his playing career. It also ensures that Pujols does not reconnect with the St. Louis Cardinals (where he played for 11 seasons) after he retires and prevents that organization from profiting from his lucrative name and image.

Personal services contracts can also help ingratiate a team to the local community. When I was a majority owner and lead counsel for the New Jersey Shore Cats, we entered into a personal services contract with a well-known hall of fame head coach. Under the terms of the contract, he made local appearances on behalf of the team, which proved to be a successful marketing tool.

For athletes, it is another way to cash in on their success. According to STLtoday.com, Pujols and his wife, Deidre, have publicly said the Cardinals weren't eager to include a personal services contract. While it is unclear how much of a role that played in the negotiations, one thing is certain - many more people in the sports industry are recognizing that personal services contracts are a unique tool for both athletes and organizations to maximize their brand.

**Raw Content:** <!-- wp:heading -->
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