

ADDRESS LEGAL ISSUES BEFORE STARTING A SUMMER CAMP

Coaches have an opportunity to increase exposure and assets ... but pay close attention to the law

By Daniel B. Fitzgerald, Associate at Brody Wilkinson PC, Southport, Conn.

The popularity of sports camps continues to rise across the American sports landscape. These camps are mutually beneficial to coaches and athletes. For athletes, camps often bring superior instruction and exposure to the coaches at the next level of play. For coaches, camps offer an opportunity to earn extra income during the off-season and perhaps more importantly, coach prospective players and assess their skills.

The increased emphasis on specialization in youth sports and the economic incentive to receive athletic scholarships undoubtedly have contributed to the proliferation of summer sports camps at colleges and universities. Another factor of this growth is that camps also offer coaches the opportunity to supplement their salaries and the salaries of their assistant coaches.

The structure of camps varies widely. One of the most common, and most lucrative, arrangements allows the coach to own, operate and receive all profits from the camp. The school provides the facilities and often some equipment for a specified fee. Ownership of the camp allows the coach to build brand equity, which may last beyond his or her tenure at the school. Significantly, ownership also allows the coach to control every aspect of the operation, from hiring coaches to entering agreements with local vendors. The camp essentially becomes a separate business venture for the coach.

As with any business, there are legal issues to consider. The following are some primary legal issues for coaches involved in running a sports camp.

Spell It Out In A Contract

A coach must be certain it is acceptable to own and operate a summer camp, which is detailed in a written contract with his or her school (such clauses are typical in the contracts of Division I college coaches, which often include a dedicated section concerning camps).

Whether the subject of camp is covered in the coaching contract or in a separate written agreement, the need for specificity is the same. All the details of the camp including ownership, the payment of expenses, any costs to use the school's facilities and liability insurance must be delineated. In addition, have a discussion about whether you as the coach has the right to use the school's name, colors and logos in advertising efforts. Indemnification arrangements addressing the handling of potential claims against the coach, camp or school should also be contemplated and outlined.

Treat It Like A Business

A sports camp is a business and must be treated accordingly. Considering the risk, there is no reason for a coach to run the business under his or her own name. Rather, form a business entity such as a Limited Liability Company (LLC) to own and operate the camp. The business entity serves to protect you from individual liability from claims made against the camp.

With an established business entity, a coach is not required personally to enter into contracts with vendors and employees—these agreements are made directly in the name of the entity.

It is also important to secure a website URL and perform a trademark search before investing in the camp name and associated marketing materials.

Understanding Liability

A coach faces a number of liability issues in the operation of a camp, which means having adequate insurance in place is a must, as well as liability waivers for camp attendees. Liability waivers, especially those that deal with sports and



Before inviting players to your camp, set up an LLC.

fitness, can be difficult to enforce. Nevertheless, they are effective tools to prevent lawsuits and negotiate early settlements, if necessary.

Coaches almost must seek indemnification from the school for injuries or claims arising from the school's facilities or actions for which the school should be responsible. You also need to document the techniques taught to the attendees during the camp in case a subsequent issue arises concerning whether an attendee was properly instructed.

Policies For Coaches And Staff

An employer generally is responsible for the acts of its employees or representatives committed during the course of their employment. Accordingly, coaches must be careful about whom they hire to work with camp attendees. Run comprehensive background checks on any employee of the camp with particular attention paid to employees in direct contact with camp attendees.

Be sure you are aware of and comply with state and federal employment laws, including wage and hour laws.

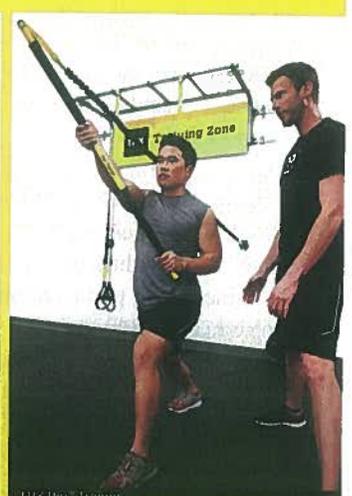
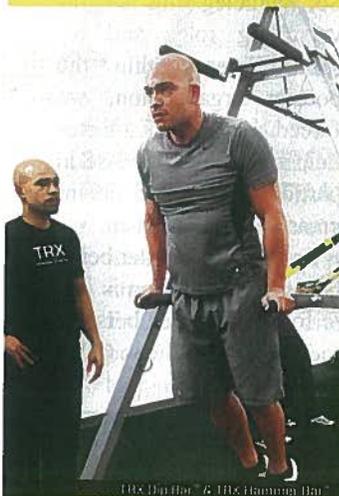
Covering Compliance

Be vigilant in complying with school and league rules when hosting a camp. College coaches must be particularly sensitive to NCAA recruiting rules and need to make efforts to ensure other camp employees and volunteers adhere to NCAA rules. Have all assistant coaches and volunteers sign contracts requiring them strictly to comply with school, league and NCAA rules. Remind coaches and volunteers prior to the camp (in writing) of any pertinent league, school and NCAA recruiting rules that come into play.

A successful camp can assist young athletes maximize their potential, provide a competitive advantage for the coach and also produce revenue. It is crucial for coaches running their own camps, however, to recognize both the opportunity and responsibility accompanying such an endeavor. As the late UCLA men's basketball coach John Wooden once said, "The little details are vital." Identify and deal with the details, including legal issues, when you are owning and operating a sports camp for the vitality of the camp and the security of the coach. **CAD**

Daniel B. Fitzgerald also publishes the Connecticut Sports Law blog (ctsportslaw.com). Reach him at dfitzgerald@brodywilk.com or (203) 319-7154.

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