



Institute *of*  
Communication Agencies

## **AGENCY TRANSITION BEST PRACTICES/CHECK LIST**

ICA has had numerous requests for a checklist for transition meetings, either on the receiving or giving end. ICA consultants and members along with ICA have contributed to this organic document, that gives the basis of key areas but is not meant to be definitive, any improvements/additions are welcome.

### Contract

- If there is a signed agency-client contract that includes clauses governing termination, follow the contract.
- Otherwise, agency is entitled to 90 days notice and compensation/fees at least during the notice period; and beyond, if agency can negotiate an extension.
- Agency should also be paid for staff time (plus out-of-pockets) for preparing the turnover files, for assembling and running off materials for turnover, and for attending all turnover meetings.
- Need written authorization and direction from client before releasing any info or materials to new agency or third parties. [Obviously, no client authorization is needed if everything goes back to client directly.]
- Consider IP rights in all property
  - (a) originating from client;
  - (b) originating from agency and paid for by client;
  - (c) originating from agency but not paid for by client.
- Insist client, in writing, agrees
  - (a) to fulfil all past commitments made by agency regarding work that may not be completed until after termination;
  - (b) not to use material/performances in ways and media unless rights to such use/media were previously secured; or, if not, then secured after termination;
  - (c) indemnify the retiring agency for all liability created by client or new agency arising from breach of (a) or (b) above.

### Creative

- Provide Client with list of what historical and current creative materials that will be physically transferred. Include a print out of the work, a list of materials along with the electronic files/DVD.
- Supply information where the masters are for commercials and contact information
- Talent payment details, talent reports on each commercial, ad numbers & cycle dates (if available) and contact information per commercial
- Transfer of rights letter to be signed by new agency or union signator
- Notification sent to unions via copy of the transfer of rights

### Media

- Copies of current and historical (maximum 3 years) media plans.
- Status of bookings, deadlines
- Advertiser signed purchase authorizations for active media bookings
- The new agency must be aware of any commitments made into their period of responsibility.
- Contracts are provided to the new agency if the buy is client specific and does not include any proprietary aggregate agency level discounts greater than client-earned. The media cancel old contracts and issue new contracts once the advertiser changes media companies. The out-going agency has the media hold the inventory for the new agency to re-negotiate a new rate if required. It is preferable for the out-going agency to see through the existing buy whenever possible.
- Any corporate guidelines supplied by the Advertiser
- Transfer of responsibility letter from the Advertiser which can be shared with media suppliers, including firm date when responsibilities for booking and billing changes agencies.

### Research

- Copies of industry studies supplied by the Advertiser
- Focus group reports
- Any corporate guidelines supplied by the Advertiser

### Hand-Over Meeting

- Advertiser should be present at the meeting with both agencies to verify materials
- The meeting should be brief, professional and often at the Advertiser's offices
- Follow-up minutes should be done for any outstanding issues

### Accounting/Finance

- Ensure everything has been paid by the client before you release any materials
- Make sure all client document etc. in storage (on or off site) are given to the client
- Review any commitments based on buying power have been reached and that there will be no penalty due to client leaving
- Generally disposition of rights should be defined in the initial contract with the client, ensure all items not defined in the contract are put in writing and signed by the client.
- Check to make sure that there are no outstanding disputed invoices. They can easily fall through the cracks.
- Review all projects opened in the last 6- 12 months and review costs/billings. If a project was put on hold there may be outstanding billing or liability associated with a project that is on hold.
- Analyze time to ensure the year-to-date fees cover hours to date and estimated time to wind up client.

### Other Disciplines

- Each agency will have a different scope of services such as PR, CRM, interactive/online, that will need to be transferred to the agency following the basic guidelines.