

BY JEFFREY C. O'BRIEN

# Chaos and Disorder: How Prince's Views on Contracts Impacted His Family, Estate, and Legacy



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Every state has that one cultural icon that others reference when they hear the name of the state. For example, how many readers have been asked if they are Green Bay Packers shareholders upon disclosing their Wisconsin residency?

For Minnesotans, that reference is, was, and always will be Prince. A decade after his passing, his presence still looms large over the state, with the debut of the *Purple Rain* musical and the continued release of music from the artist's famous vault.<sup>1</sup>

These posthumous endeavors are the result of a complex structure negotiated as part of Prince's estate. As much as he was a musical genius, Prince was less so when it came to planning his estate. In fact, his steadfast belief that contracts were immoral led to his decision not to put a proper estate plan in place, triggering significant tax liabilities for his estate and obstacles for his family members in terms of the administration of his estate and the exploitation of his remaining musical assets.

## I'm Yours

Born Prince Rogers Nelson in Minneapolis, Minn., on June 7, 1958, the artist who came to be known just by his first name, Prince, signed his first recording contract with Warner Bros. records on June 25, 1977 – only a few weeks after his 19th birthday. After being courted by several different labels, Prince ultimately signed with Warner Bros. because of their willingness to let Prince be the co-producer of his records.<sup>2</sup> Less than a year later, Prince would release his first album, *For You*. A prolific writer and performer from the beginning of his career, Prince would follow up his debut with subsequent albums each year from 1979 through 1982, when he released the album that many believe to be his most influential, *1999*. Throughout this period, the artist's relationship with his recording company was cordial. In fact, in an unreleased song from 1977, "We Can Work It Out," Prince sings the line "Making music naturally, me and WB," suggesting that Warner Bros. providing him the artistic freedom he desired was a key to their working relationship.

## Controversy

On Aug. 31, 1992, following 15 years of chart-topping success and three motion pictures (including the iconic *Purple Rain*), Prince signed a new recording contract with Warner Bros.<sup>3</sup>

The first new album under the new contract had a title that was an unpronounceable symbol. This album did not perform as well as other recent releases, including its very successful predecessor, *Diamonds and Pearls*. Soon, cracks began appearing in the foundation of the Prince-Warner Bros. relationship, primarily over the volume of material that Prince sought to have released in short succession.<sup>4</sup> Prince's proposed solution to the disappointing sales of his 1992 release (which came to be known as the "Love Symbol" album) was to forge ahead quickly with another new album, but Warner Bros. pumped the brakes on that plan, believing that Prince was not putting enough space between albums to build anticipation among consumers.<sup>5</sup> Prince received that message as censorship of his art, and the battle was on.

As the standoff over the timing of new releases ensued, Prince's attitude toward his record label, the music business, and contract law in general took a turn. He engaged in a series of actions that seemed bizarre to many observers, including "retiring" from releasing new music (he would quickly unretire) and changing his name to the aforementioned unpronounceable symbol that served as the title of his last album.<sup>6</sup> On Dec. 11, 1998, at a press conference in Madrid, Spain, Prince announced that he and his wife, Mayte, were annulling their marriage. His basis for this decision was his new belief that all contracts, including marriage vows, were morally wrong.<sup>7</sup> Ultimately, this newfound "moral" opposition to contract law would lead to one of the messiest estates in Minnesota history.

Although Prince made his opposition to contract law very public, he was not opposed to lawyers in general. In fact, Prince became well known for dispatching his legal team to protect his intellectual property through cease-and-desist demands and infringement actions. In one instance, a woman who posted a video of her young daughter dancing to "Let's Go Crazy" received a cease-and-desist letter from Prince's lawyers, demanding that she take it down. Anyone trading in unofficial or unauthorized Prince merchandise, be it bootleg recordings, apparel, or the like, found themselves on the receiving end of Prince's wrath.

Through the rest of the 1990s, Prince maintained his fight against his record label. He fulfilled his obligations under the 1992 contract by delivering Warner Bros. albums of "vault" material (Prince was known to have a significant

cache of unreleased recordings at his disposal).<sup>8</sup> Three albums – *Chaos and Disorder*, *Old Friends 4 Sale*, and the official release of a previous bootleg known as *The Black Album* – would include printed disclaimers on them stating that the recordings were originally intended for private use only and were being released only to satisfy contractual obligations.

Following the expiration of his Warner Bros. contract, Prince released new music through his own label, called “NPG Records.” Lacking the distribution network provided through major labels, none of these independent releases would approach the sales numbers of his early albums.<sup>9</sup>

## My Name is Prince

In 2000, after almost a decade, Prince reverted to his given name, citing that the reason for the prior name change was due to his publishing contract with Warner Bros., which was now expired.<sup>10</sup>

Along with the reversion to his birth name, Prince also reset his approach to the music business. While he would continue to release music through his own label, NPG Records, he arranged for major labels to handle distribution on a record-by-record basis.

Despite these changes in his life and business, Prince maintained his views against written contracts. For example, when agreeing upon a publisher for his



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## The Posthumous Releases

As of the date of this article, Prince's estate has released the following albums, many of which include, in whole or in part, material from the artist's vault. Here's a brief synopsis of each:

- *4Ever* (2016): a comprehensive greatest hits collection spanning Prince's Warner Bros. years (1978-93), featuring the previously unreleased track “Moonbeam Levels.”
- *Purple Rain (Deluxe Edition)* (2017): the iconic album remastered, plus unreleased songs and a live recording from Miami from the tour of the same name.
- *Anthology (1995-2010)* (2018): a digital-only compilation of material previously released through Prince's NPG Records label.
- *Piano and a Microphone* (2018): 1983 recording featuring Prince's vocals and piano.
- *Originals* (2019): Prince's demo versions of songs written and provided to other artists, including his versions of “Manic Monday” (made famous by The Bangles) and “Nothing Compares 2 U” (Sinead O'Connor).
- *The Versace Experience: Prelude to Gold*: re-release of a promotional mixtape originally given away to attendees of the Versace collection at 1995 Paris Fashion Week.
- *1999 (Deluxe Edition)* (2019): features the remastered 1982 album, demos and remixes, unreleased songs, and live performances.
- *Sign 'O' The Times (Deluxe Edition)* (2020): the 1987 album remastered, along with remixes, unreleased songs, and live performances.
- *Welcome 2 America* (2021): previously unreleased project from 2010.
- *Prince & The Revolution Live!* (2022): an audio release of a live performance from Syracuse, N.Y., on the Purple Rain Tour; previously released on VHS and later on DVD.
- *Diamonds and Pearls (Deluxe Edition)* (2023): another re-release of a classic album; includes remixes, unreleased songs, and live performances.
- *Around the World In a Day (Deluxe Expanded Edition)* (2025): the 1985 album with The Revolution, remastered and including remixes. Unlike the prior “deluxe” editions, however, this release does not include the unreleased songs and live performances. **WL**

autobiography, *The Beautiful Ones*,<sup>11</sup> Prince authorized his lawyer with a one-time power of attorney, granting her the right to sign the publishing agreement.<sup>12</sup>

## Sometimes It Snows in April

On April 21, 2016, Prince passed away at his Paisley Park home and studio at the age of 57. The cause of death was determined to be an accidental fentanyl overdose.

An exhaustive search was conducted for evidence of a will or trust, but nothing was found.<sup>13</sup> As such, Prince's estate would be determined by Minnesota's

laws of intestate succession.<sup>14</sup> Given that Prince was unmarried at the time of his death, and his parents had predeceased him, Prince's sister and his five half-siblings were his potential heirs.

A Carver County, Minn., district court initially appointed an interim special administrator, the Bremer Trust, to handle Prince's estate, during the probate of his estate and while the artist's heirs were determined. When Bremer elected not to become the permanent administrator, the court appointed Comerica Bank & Trust to serve in that role.<sup>15</sup> Comerica appraised Prince's

estate at \$82.3 million, and the IRS contested that valuation, claiming that the true value of the estate was \$163.2 million. The parties ultimately settled on a valuation of \$156.4 million.<sup>16</sup>

The estate was then distributed equally among Prince's sister and his five half-siblings.<sup>17</sup> In most circumstances, distribution of the estate's assets to the heirs would mark the conclusion of a probate estate, but such was not the case with Prince. Instead, three of the heirs sold their shares to Primary Wave, a music publishing company that owns other music catalogs.<sup>18</sup> The remaining three heirs retained their shares and partnered with L. Londell McMillan (one of Prince's former attorneys) and Charles Spicer in a limited liability company (LLC) called Prince Legacy LLC.<sup>19</sup> The two companies share in the management and control of Prince's estate, and several legal battles have ensued between the two entities on a variety of issues.<sup>20</sup> In one such lawsuit, McMillan and Spicer brought action in the Delaware Court of Chancery over an attempt by their partners in Prince Legacy LLC to remove them from their management positions within the company.<sup>21</sup> They ultimately prevailed and continue to manage Prince Legacy.<sup>22</sup>

The complex structure established to manage Prince's estate – two separate entities, one of which has had internal legal conflicts – could explain the shockingly small amount of posthumous music releases. In the decade since Prince's passing, his estate has had just 11 releases. Two of those releases – a greatest hits package called *Prince 4Ever* that contained one song from the vault, and a "deluxe" edition of the *Purple Rain* album – were already in process at the time of Prince's death. The other releases include similar "deluxe" versions of three other classic albums (including previously unreleased songs from those recording sessions), a remastered edition of one other album, a live concert recording previously released on video in the 1980s, and an "official" version

of a previous limited release recording. The remaining three albums consist entirely of previously unreleased material. Given the voluminous amount of both studio and live recordings that have circulated for use among bootleg traders,<sup>23</sup> the amount of vault material released by Prince's estate seems minimal.<sup>24</sup>

### The PRINCE Act

While the battle over Prince's estate played out in court, the Minnesota Legislature attempted to help Prince's surviving family members protect the commercial exploitation of his likeness with the Personal Rights in Names Can Endure Act: the PRINCE Act.<sup>25</sup> At the time of Prince's death, Minnesota did not have a mechanism in place for inheritance or transfer of intellectual property rights after a person's death.<sup>26</sup> The PRINCE Act would have addressed this by 1) preventing unauthorized commercial exploitation of a deceased

person's identity (essentially transferring rights of a publicity to a person's heirs); 2) granting heirs control over marketing and revenue derived from the deceased's name, image, and likeness; and 3) limiting unauthorized and bootleg merchandise and other media use.<sup>27</sup> In large part, the PRINCE Act would have given Prince's heirs the right to control the distribution of Prince-related merchandise in the same strict manner in which the artist did during his lifetime.

Although the proposed legislation attracted strong bipartisan support, its sponsor pulled the bill after concerns about the breadth of the rights being conveyed as well as concerns over the speed at which the bill was being moved through the legislature<sup>28</sup> (which was obviously being done to quickly offer Prince's heirs a means of shutting down the proliferation of unauthorized items bearing his name or likeness).<sup>29</sup>



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## The Word

Prince's failure to make decisions regarding the handling of his estate upon his death created numerous problems, including a large estate tax obligation and a costly and lengthy probate administration. His lack of planning also has affected his musical legacy, with a trove of material remaining unreleased to this day, in part because of the protocols to be adhered to as part of the negotiated settlement among all the interested parties.<sup>30</sup>

As for the reasons for his failure to plan, certainly his opposition to legal contracts might have played a role. Given that he considered the material in his vault to be "unfinished,"<sup>31</sup> perhaps Prince

didn't appreciate the fact that this intellectual property was an asset that would need to be disbursed upon his passing.

Often, life events prompt a person to give more thought to their mortality, which leads to their decision to put a proper plan in place. For Prince, in the weeks leading up to his death, he talked openly about the passing of Denise Matthews, better known as Vanity, who had once been his musical protégé and romantic interest.<sup>32</sup> This loss of a once close friend apparently was not enough incentive for Prince to consider his own mortality and take steps to implement a plan for his estate.

While Prince was noteworthy because of his celebrity status and a complex

estate that consisted of significant intellectual property, his lack of proper planning is not uncommon. People who fail to implement a plan during their lifetime as to the disposition of their assets upon their death are subjecting their heirs to the laws of intestacy, which can produce a result much different from what the deceased may have intended. The larger the estate, the greater the problems can be, and thus the greater the need to engage in estate planning. **WL**

## ENDNOTES

<sup>1</sup>According to a 2015 BBC documentary titled *Hunting for Prince's Vault*, it is believed that Prince had at least 2,000 songs that remained unreleased at the time of his death.

<sup>2</sup>*The Vault: The Definitive Guide to the Musical World of Prince 18* (2004) [hereinafter *The Vault*].

<sup>3</sup>*Id.* at 136.

<sup>4</sup>Alex Hahn, *Possessed: The Rise and Fall of Prince* 190 (2003).

<sup>5</sup>*Id.* at 189.

<sup>6</sup>During this period, Prince would be referred to as "The Artist Formerly Known as Prince," "The Artist," or "TAFKAP." A gossip columnist for the *Minneapolis Star Tribune* referred to him as "Symbolina," which ultimately prompted a musical response.

<sup>7</sup>*The Vault*, *supra* note 2, at 232.

<sup>8</sup>A significant amount of the vault material wound up in bootleg trading circles, and Prince went to great lengths legally to prevent their distribution. Sean Michaels, *Prince Sues Internet Users for Total of \$22M Over Alleged Bootleg Recordings*, *The Guardian* (Jan. 27, 2014), <https://www.theguardian.com/music/2014/jan/27/prince-sues-internet-users-alleged-bootleg-recordings>.

<sup>9</sup>The 1999 release, *Rave Un2 the Joy Fantastic*, marked a departure from Prince's prior independent releases because it was distributed through a major label, Arista Records. Also, although the album was released under the name of the unpronounceable symbol, it was produced by PRINCE.

<sup>10</sup>Jessica Lussenhop, *Why Did Prince Change His Name to a Symbol?*, *bbc.com* (April 22, 2016), <http://bbc.com/news/magazine-36107590>.

<sup>11</sup>Prince, *The Beautiful Ones* (Spiegel & Grau 2019) [hereinafter *The Beautiful Ones*].

<sup>12</sup>*Id.* at 40.

<sup>13</sup>*Prince's Estate Tax Bill Due This Week: Why It's So Big and How It Could Have Been Avoided*, *Billboard* (Jan. 17, 2017).

<sup>14</sup>See Minn. Stat. §§ 524.2-101 - 524.2-123. Wisconsin's intestacy statutes are in Wis. Stat. chapter 852.

<sup>15</sup>David Chanan, *Bank Managing Prince's Estate Punches Back Against Heirs*, *StarTribune* (Nov. 13, 2017), <https://www.startribune.com/bank-managing-prince-s-estate-punches-back-against-heirs/457300243>.

<sup>16</sup>Marianne Garvey, *Prince's Estate is Finally Settled After a 6-year Battle*, *CNN Entertainment* (Aug. 3, 2022), <https://www.cnn.com/2022/08/03/entertainment/prince-estate-settled/>.

<sup>17</sup>Samantha Dorsica, *After A Six-Year Court Battle, Prince's \$156M Estate Will Be Split in Half*, *afrotech.com*, Aug. 3, 2022, <https://afrotech.com/resolution-for-prince-estate-court-battle>.

<sup>18</sup>Ethan Millman, *Primary Wave Partners With Prince Estate!*, *Aug. 2, 2021*, <https://primarywave.com/primary-wave-partners-with-prince-estate>.

<sup>19</sup>Bill Donahue, *Prince Estate Civil War: Heirs Battle in New Lawsuit Over Alleged Company Coup*, *Billboard.com* (Jan. 11, 2024), <http://billboard.com/business/legal/prince-estate-lawsuit-heirs-attempting-seize-control-1235580400>.

<sup>20</sup>*Id.*

<sup>21</sup>Afrotech, *Prince Legacy LLC Managers File a Lawsuit Against the Late Legend's Family Members Over Control of His Estate*, *Jan. 12, 2024*, <http://afrotech.com/prince-estate-control-lawsuit>.

<sup>22</sup>*Id.*

<sup>23</sup>Whitta Hammish, *50 Essential Bootlegs*, 2018.

<sup>24</sup>The estate has, however, authorized major label releases of the albums that Prince previously recorded and released under his own NPG Records label.

<sup>25</sup>Andrea Domanick, *Minnesota Lawmakers Have Introduced the 'Prince Act'*, *vice.com* (May 9, 2016), <https://www.vice.com/en/article/minnesota-legislature-introduces-prince-act/>.

<sup>26</sup>Wisconsin, by contrast, recognizes a right of privacy and has provided a means of equitable relief against unreasonable invasion thereof. See Wis. Stat. § 895.50.

<sup>27</sup>*Id.*

<sup>28</sup>Patrick Condon, *Effort to lock down publicity rights for Prince heirs encounters controversy at Capitol*, *Minn. Star Tribune* (March 18, 2016), <https://www.startribune.com/effort-to-lock-down-publicity-rights-for-prince-heirs-encounters-controversy-at-capitol/379884991>.

<sup>29</sup>Christian B. Ronald, *Burdens of the Dead: Postmortem Right of Publicity Statutes and the Dormant Commerce Clause*, 42 *Colum. J.L. & Arts* 123 (2018).

<sup>30</sup>For example, Netflix had planned a documentary about Prince but later canceled it amid disputes between the parties controlling the artist's estate. See Damian Jones, *Long-awaited Prince documentary blocked and 'dead in the water' after multiple disputes*, *NME* (July 22, 2024), <https://www.nme.com/news/music/long-awaited-prince-documentary-blocked-and-dead-in-the-water-after-multiple-disputes-3776890>.

<sup>31</sup>*The Beautiful Ones*, *supra* note 11, at 16.

<sup>32</sup>*Id.* at 26. **WL**