

U.S. talent agent deal with Cuban entrepreneur marks change in business climate



Alan Gomez, USA TODAY 4:32 p.m. EDT April 18, 2016



(Photo: Javier Galeano, AP)

MIAMI — A U.S. talent agency signed a contract in Havana on Monday to work with a Cuban entrepreneur, a seemingly simple deal that marks a big change in the relationship between the two countries.

Jonathan Blue, chairman and managing director of the Louisville-based investment firm Blue Equity, made a deal with [Pedro Rodriguez](#), an entrepreneur licensed by the Cuban government to work in the entertainment field. Rodriguez will scout talent in Cuba for Blue's talent company, Blue Entertainment Sports Television, or BEST, which represents broadcasters, models and celebrities.

The deal is not the first time a U.S. company has hired one of Cuba's entrepreneurs, a new segment of the population that works outside of the state-run economy. What's different is both parties' willingness to operate openly in public.

San Francisco-based Airbnb began working with private homeowners in Cuba last year, and U.S. companies have hired Cuban computer programmers, translators and fixers since the two countries announced in Dec. 2014 that they would re-establish diplomatic relations. Most of those deals have stayed deliberately under the radar, says Carlos Saladrigas, a Cuban-American businessman in Miami, and chairman of the Cuba Study Group, who travels frequently to the island and advises companies interested in working there.

Regulations passed by the [Obama administration](#) allow U.S. companies to hire Cuban workers, and lets those workers establish bank accounts in the U.S. to make it easier to get paid. Saladrigas said the Cuban government has not kept up with its own changes, leaving Cuban entrepreneurs uncertain if they can legally work for American businesses.

"The difficulty is that in our system, everything is legal unless it is prohibited. In Cuba, everything is prohibited unless it is made legal," said Saladrigas, who has briefed Obama about Cuba and traveled there for the president's historic visit last month. "That leaves Cubans in a legal limbo."

Blue and Rodriguez are not hiding anything. On Monday, they held a signing ceremony and press conference at the [José Martí Cultural Society](#) headquarters in Havana announcing the new partnership.

That openness, Saladrigas said, is what makes the deal unique. "That would be a first," said Saladrigas, who was not part of the deal.



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Blue has traveled to Cuba for years, but started looking for ways to expand his business there after [President Obama](#) and Cuban President [Raúl Castro](#) announced that the Cold War foes would begin normalizing relations.

Blue said his company, which represents sports broadcasters including [Bomani Jones](#), [Lawrence Taylor](#), and [Ronde and Tiki Barber](#), helped arrange a Havana fashion photo shoot in December. That's where he met Rodriguez, who coordinated the shoot logistics. Blue said the two hit it off immediately, which started the months of research that led to Monday's deal.

Under the agreement, Rodriguez will find artists in Cuba and funnel them to Blue's BEST company, which will then serve as their agents for events in the U.S. and elsewhere. Blue said his firm could also represent the Cuban artists in Cuba, but said there are many limitations there. For example, if one of the artists performs at an event paid for by the Cuban government, Blue could not receive any compensation for that because it would violate U.S. law.

That's why Blue and Rodriguez worked for months to craft a contract that satisfied both U.S. and Cuban law. Blue hired a Miami-based law firm that focuses on Cuba to advise him on U.S. law, and Rodriguez frequently ran the proposals by Cuban officials.

The end result, Blue said, is the start of a long-term presence in a Cuban market filled with all kinds of largely unknown talent.

"We see so much potential in Cuba," Blue said before traveling to Havana for the ceremony. "We've done this all over the world, so Cuba is just such a natural, close market. We're big believers in the long-term potential there."



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Augusto Maxwell, an attorney at the Miami-based Akerman law firm who helped craft the contract, said he's confident the deal will pass legal muster. Regulations passed by the U.S. Treasury and Commerce departments since 2014 created a general license that allows U.S. businesses to import goods and services from private entrepreneurs. And while Cuban law doesn't expressly state that Cuban entrepreneurs can work for U.S. companies, Maxwell said Cuban law doesn't prohibit it either.

"This is all new terrain," he said. "We've moved from a situation where Cubans weren't even allowed to enter a hotel room for fear they would come into unauthorized contact with Americans, to one where American companies are welcomed to be in Cuba and Cubans are welcome to provide services to them. This deal is another step in that direction."

Many of the question marks hanging over Cuba's entrepreneurs could be addressed by Cuba's Communist Party Congress, which began Saturday in Havana. But for now, Saladrigas said Blue's new, public deal could pave the way for other companies to take the plunge.

"The good news is that they are happening and they're growing," he said. "It is leaving the Cuban government with few options but to come around to the idea that (these deals) have to be recognized and made legal. I hope they do."

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