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Contracts in Fashion



How to Use The Handbook:

This handbook is short and practical. Each section gives you essential knowledge, examples relevant to African contexts, and key takeaways. You don't need a legal background, just curiosity and a desire to protect and grow within fashion.

This handbook is part of a 10-part series by the Fashion Law Academy Africa (FLAA) to make fashion law accessible to African creatives and stakeholders.

Purpose:

To guide fashion professionals and students on drafting, understanding, and negotiating contracts that shape the business side of fashion.

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Contracts in Fashion

Why Contracts Matter in Fashion

Fashion thrives on creativity, but behind every runway show, photoshoot, or product launch is a network of agreements. Contracts are what keep collaborations clear, protect intellectual property, and ensure that everyone, designer, model, manufacturer, or brand, gets what they are entitled to.

Without contracts, disputes can quickly arise: unpaid wages, misuse of designs, or disagreements over exclusivity. In fashion, where reputation is everything, a poorly drafted or missing contract can cost both money and credibility.

Key Clauses in Fashion Contracts

Different professionals in the industry need different protections. Below are common clauses found in standard agreements:

For Designers

- Ownership of work – Who owns the sketches, digital files, or final garments?
- Exclusivity – Prevents designers from working with competing brands.
- Royalties – If designs are mass-produced, designers may earn a percentage of sales.

For Models

- Usage rights – Specifies how and where the images will be used (billboards, social media, TV).
- Duration – Limits how long a brand can use the model's

image.

- Payment terms – When and how the model will be paid (flat fee, hourly, or usage-based).

For Stylists

- Scope of work – Details what the stylist is expected to provide (clothing sourcing, fittings, styling on set).
- Credit – Ensures the stylist is properly credited in publications.
- Cancellation policies – What happens if the client cancels at the last minute?

For Manufacturers

- Production timelines – Deadlines for delivery.
- Quality control – Minimum quality standards, including materials used.
- Penalties – What happens if goods are delayed or defective?

IP Ownership in Collaborations

In collaborations, such as designer × artist or brand × influencer, the question of who owns the

intellectual property (IP) is crucial.

- Work-for-hire: If someone is paid to create, ownership often belongs to the employer or commissioner.
- Joint ownership: Both parties share rights. This can cause disputes if not carefully managed.
- Protecting brand identity: Clear clauses should stop collaborators from reusing distinctive logos, patterns, or trademarks outside the deal.

Example: A luxury house partnering with a painter for a capsule collection should clarify whether the artwork remains the artist's or becomes the brand's property after payment.

Licensing & Distribution Agreements

Licensing allows a brand to expand into new categories by granting another company the right to use its name.

- **Licensing examples:** A fashion

house licensing its brand name to a cosmetics company for perfumes, or to an eyewear manufacturer for sunglasses.

Key clauses:

- Territories – Where the licensee can sell the products.
- Exclusivity – Whether the licensee is the only one with rights in a market.
- Sales targets – Minimum sales or royalties required.

Distribution agreements, on the other hand, govern how products reach stores or online platforms. Brands must protect against grey market sales, where goods are sold outside official channels.

Influencer & Brand Ambassador Contracts

Influencers and ambassadors are vital in today's fashion marketing. Their contracts need to be specific.

- Deliverables – Number of posts, stories, appearances, or events.
- Exclusivity – Whether the influencer can work with

competing brands.

- Disclosure – Compliance with advertising laws (e.g., tagging posts as sponsored).
- Reputation/Morals clause – Allows brands to terminate if the influencer engages in behaviour that harms the brand image.

Example: If a sportswear influencer is caught in a scandal, the brand may invoke the morals clause to end the deal.

Breach, Remedies & Dispute Resolution

Even with the best contracts, things can go wrong. Common issues include late payments, poor-quality goods, or cancelled shows.

Remedies for breach:

- Damages – Monetary compensation.
- Injunctions – Court orders stopping a party from doing something (e.g., using a logo without permission).
- Termination – Ending the contract.

Dispute resolution methods:

- Negotiation – Cheapest and fastest way.
- Arbitration – Private, often faster than court, but binding.
- Litigation – Formal court process, costly but enforceable.

Practical Tips for Negotiating Contracts

- Always define terms clearly (e.g., what counts as “delivery” or “completion”).
- Watch for hidden clauses, like automatic renewals or high penalty fees.
- Get agreements in writing—even for “friendly” collaborations.
- Involve a lawyer for high-value deals or long-term partnerships.

Conclusion

Contracts are not meant to stifle creativity; they are tools to protect it. For fashion professionals, whether entering into a small photoshoot agreement or a multi-million-dollar licensing deal, contracts provide clarity, security, and legal recourse. In short: never rely on a handshake, always get it in writing.

Glossary

Term	Meaning
Intellectual Property (IP)	Legal rights that protect creations of the mind, such as designs, logos, and creative works. (Example: A designer's logo is protected under trademark law.)
Licensing Agreement	A contract allowing one party to use another's intellectual property under agreed terms. (Example: A luxury brand licensing its name to a perfume manufacturer.)
Distribution Agreement	A contract that sets out the terms under which products are supplied to distributors or retailers. (Example: A fashion label granting exclusive distribution rights to a retailer in Nigeria.)
Force Majeure	A clause that frees parties from liability if an unforeseen event prevents fulfilment of the contract. (Example: A garment factory unable to deliver due to a flood.)
Indemnity	A contractual obligation where one party compensates the other for specific losses or damages. (Example: A stylist indemnifying a brand for damages caused during a shoot.)
Confidentiality Clause	A clause that ensures sensitive business information is not disclosed. (Example: Preventing a model from revealing campaign details before launch.)
Breach of Contract	Failure to perform contractual obligations as agreed. (Example: A manufacturer delivering lower-quality fabrics than specified.)
Remedies	Legal solutions available when a contract is breached, such as damages, cancellation, or specific performance. (Example: A brand suing for financial damages after a supplier breach.)
Exclusivity Clause	A contractual term that restricts one party from working with competitors. (Example: An influencer agreeing to promote only one sneaker brand for six months.)
Termination Clause	Provisions that outline when and how a contract can be ended. (Example: A brand terminating a model's contract due to misconduct.)

