

The Collections | Paris | Suzy Menkes

Taking a Silk Road,  
Ford's fine farewell

With the high polish and social ease of Chinese designers, Tom Ford's retrospective collection for Yves Saint Laurent was a smooth, he showed not just a new fashion that suggested he might have taken the brand forward, but for several designers. By taking the Silk Road, Ford also showed his wide interest for the moment. China and its future role in global fashion is a subject he says.

next was belted in a Chinese lantern gown. The ensembles, which included Yves Saint Laurent's belted gown, black jacket and the former model's wardrobe, were in his best, as Ford said. He shared his great fashion adventure. "It was a great 'fashion' said Jagger, while Michael Muller, who has worked so closely with Ford, said, "I had a lot of emotion. It is a real shame that it is the end of an era. I hope he will come back."

Q&A | Betsy Pearce  
Negotiating fine print  
of a creative contract

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YVES SAINT LAURENT



Dior



Dior

# Negotiating fine print of a designer's creative contract



Betsy Pearce, a lawyer who specializes in contracts involving creative services.

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sue is determining what's a creative decision and what's a business decision. Very seldom is the most important thing in contract negotiations the money, the dollar figure of how much a designer is making per year. Creative control is important and much more complex.

### Do any designers enjoy "complete creative control"?

Not often, unless the designer is the owner of the company. Someone may have creative control de facto if he exercises very good business judgment. I don't know Tom Ford or the specifics of his situation, but he seems to have earned creative control.

**At Gucci, it looks like the owners plan to opt for a team approach rather than a "star designer." What are the advantages?**

It's high risk to have a name designer who becomes the figurehead. No one stays forever, and the departure, for the company, is like having the boyfriend's name tattooed on the shoulder. So there's an appeal of having a no-name or a designer with a much lower profile or a set of designers.

Interestingly, there are areas of fashion design that are invisible to the public — who can name an accessories designer? Of course the creative director sets the overall vision, but the accessories designer is working on the product that offers the profit center for the house. But it is often much more interesting to have a story of one star who's creating everything.

**In your dealings between fashion companies and the designers they are trying to hire, which areas are the toughest to negotiate?**

My work is a matchmaking process. A

house identifies that it wants a designer and it's a sort of courtship process. Is there the right vibe and a mutual agreement on objectives? Everyone just wants to rush off and get married. No one wants to do the prenup.

There's compensation, perks, and also there's the team, which may not be relevant in executive contracts, but often is very important for creative agreements. When a designer comes to a new place he or she may have at least one, if not several, people who are integral to their process of creativity and to their success. Also there are business development issues such as how many stores will be opened.

A designer may be interested in a particular position because of the level of creative autonomy that he or she needs at the moment. It might be about name recognition: the well-known label by so-and-so that can be of service to the designer's career later. Sometimes it can be about compensation.

But there's also a flip side, which is responsibility, how much can you pile on the designer's plate. The house says, "We are going to start a menswear line and you are also going to design the men's collection." In theory that's twice as much work.

One of the most important things in any contract is rights upon termination. The designer is making a commitment. They're forgoing other opportunities and they are associating their name with a place in a very public way. Obviously, when a designer is going to a house with an established tradition and aesthetic there is the reasonable expectation that there will be an adaptation to that spirit. A lot of short engagements doesn't look good for anyone's résumé, but for a creative person, it's exaggerated because there's an identity that's lost.

### What is the pay scale for these designers?

Salaries in America are higher than European salaries because much American clothing is bread-and-butter mass sales, and there's just so much money there. We could talk about \$300,000 for the main person calling the shots at an Italian high fashion house that's a recognizable but not well-known name. It could easily be \$1 million plus if you're talking about a star designer. But it's more common to find numbers like \$1 million in America — not for a name designer or a glamorous product, just what sells at the mall.

**What are the perquisites in the design job — filet mignon for Fido every day? A jet for Mom to come to**

### the runway show?

Sometimes it's houses in two locations. Or to bring the companion along on long press trips. But no one is requesting to be picked up by a chauffeured Ferrari every day. In the past, everyone in fashion and entertainment wanted the Concorde — that's hard to justify to shareholders. It's much less extravagant than a Hollywood actor contract — I think back and it used to be Evian in the trailer and now it's Evian, and the personal trainer and a full gym in my double-wide trailer which has to be bigger than everyone else's. But I don't see that in fashion. What I do see are things that the designer feels are genuinely essential to his creativity. It might be the right to work elsewhere than the company offices. Designers sometimes do their best work in the middle of the night at home. The companies are generally ready to accommodate reasonable lifestyle requests. The public is not at all aware that there's a very unglamorous side to being a designer. It's a million trips to Italy and a lot of time on itty-bitty 15-stop trains to get to the little town that makes the world's finest leather goods.

### Are there morals clauses in the contracts regarding drug use or public misbehavior?

Yes, and whether it's heavily negotiated depends on a company's perception of how much of a risk it is for the designer in question. Or there may be some companies that have very rigid standards because they want to be perceived as Disneyesque. Normally, a company will reserve the right to terminate a designer if he is convicted of a felony-level crime or engages in public behavior that shocks the conscience or brings the company into disrepute or

makes the company or the designer the subject of scandal. And those things are not unreasonable. But let's be clear, a bad boy designer can be fascinating to read about and could be a plus, within limits.

Morals clauses may be more stringent for endorsement contracts. What really changed a lot of standard contracts was the original Michael Jackson child molestation allegations. That's when it became not "convicted" of a felony but "indicted". We learn.

### If a fashion designer creates an iconic hit product for a company or for a brand, does he strike it rich?

No, because a normal designer contract, and really any employee contract, even those for outside consultants, is going to provide that everything that is created during the tenure of that relationship is owned by the company.

### It seems that it's become common for the larger luxury companies to hire a designer and at the same time to take a stake in that designer's own label. Is that risky for the designer?

It's high risk. You are talking about what is always a temporary job. You're betting everything you have, and when that relationship has run its course, then you have this encumbrance. The party that you're finished with now has a powerful say and influence in your own business. You're actually probably better to negotiate the compensation and just invest it yourself in your own business.

### How long are these contracts?

Typically it's two, three, four years with

the expectation it will be extended if all goes well. At that point, the designer gets to renegotiate salary.

Last year, the Dior menswear designer Hedi Slimane said he was fashion's first free agent because he had negotiated the possibility of eventually doing a women's line with an outside company. Is that an important development?

It sounds a little like playing offense for the Vikings and defense for the Bears in the same season. I have to imagine there are some restrictions. One thing I have seen, and it's important to build in, is the possibility of pursuing outside interests — artistic exhibitions, photography projects — something that is not competitive or in any way incompatible.

### You come from an entertainment law background — how different are fashion designers' contracts from movie stars'?

An actor has a series of films and no single one is going to make or destroy the actor. But for a designer, liaisons with a fashion house are few. Also, it's somewhat like a playwright. In order to execute the craft, it requires investment, skills, energy of a vast number of people and a vast mechanism.

### Do you see a future where fashion designers are organized on the Hollywood model and represented by managers and talent agencies?

I hope not. The problem in my experience is that each level — the manager, the agent, the lawyer — needs a battling point to justify their existence. It adds layers of self-interested parties. In fashion, the profit stream is really pretty thin by the time it gets to paying the creative talent.

