Case study



Terms and conditions

"I have placed my production order, sent all my fabric and trims to the factory and haven't heard anything from the manufacturer for the last week although I have been trying to call them – it's like radio silence and I'm really worried. This is my whole season at stake and I feel like there is nothing I can do."

Designer

Contracts are not widely used within the sector. Although many designers and manufacturers don't feel that they are necessary, a written contract will become invaluable if a dispute does arise. For instance, if issues such as ownership of goods and terms of payment can be set out before the work starts, there is less likely to be confusion and ill-feeling if a problem subsequently arises. Terms and Conditions can also agree delivery dates and agree discounts for late delivery, which helps ensure late delivery is less of a problem.

Late delivery is a common problem, and this can damage a designer's relationship with their customers. Although there are sometimes clear reasons for a delay (e.g. changes to the pattern, late delivery of fabric or components), designers sometimes are not even sure why the delay has occurred. Many small designer businesses have had their order 'bumped' when a manufacturer gives priority to a designer with an order of a higher financial value.

If both parties have already agreed the Terms and Conditions of their working arrangement then dispute resolution can be much more straightforward. However, it can sometimes be difficult for smaller designers to get manufacturers to sign written agreements.

Companies that do make use of contracts say that they have rarely had reason to actually refer to them in a dispute, but it helps to keep the relationship professional and businesslike. If contracts are to be effective, there needs to be mutual agreement



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of Terms and Conditions between designers and manufacturers. There should not be documentation that one party 'forces' upon the other.

Top Solutions:

- Increased use of contracts throughout the sector.
- Mutually agreed Terms and Conditions.

Relevant sections from the Fashion Toolkit:

- Code of Practice.
- Production Management.









