

What Does Your Daughter's Favorite Doll Have to Do with Well-drafted Employment Agreements?

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In the end, the highly publicized seven year legal battle over who owned the rights to the popular “Bratz” line of dolls boiled down to one thing—how a jury viewed the terms of an employment agreement.

As reported by the [New York Times](#), Mattel Inc. first sued MGA Entertainment Inc. more than six years ago, claiming that Bratz designer Carter Bryant had been working for Mattel (he later joined MGA) when he first designed the dolls, and that Mattel was the rightful owner of those designs under the terms of Bryant’s employment agreement.

Under the terms of the employment contract, Bryant assigned to Mattel rights to “all inventions...conceived...at any time during my employment by the Company.”

MGA argued that the term “inventions” did not include ideas, but only more concrete creations. The term was defined by the agreement as including “all discoveries, improvements, processes, developments, designs, know-how, data computer programs and formulae, whether patentable or unpatentable.”

MGA also argued that the phrase “at any time during my employment” should limit Mattel’s rights to works created in the scope of the inventor’s employment. MGA alleged that Bryant came up with the idea for the dolls during his free time, and therefore it was outside the assignment provision.

The jury ultimately found that MGA owned the rights to the popular dolls and did not steal the idea from rival Mattel Inc., as it had claimed.

What can employers take away from this case?

Employment agreements, particularly those involving intellectual property, must painstakingly define the rights of each party and specify the scope of such rights.

You do not want to leave the interpretation of your employment agreements to a jury. Although this jury sided with MGA, last year, another California jury awarded Mattel \$100 million in damages. However, a federal appeals court later overturned that verdict.

Employment agreements are an effective way to protect your company’s intellectual property, if they are drafted carefully.

About Beth Lincow Cole

Employment Law Attorney Beth Lincow Cole has skillfully helped business owners and managers head off the unwanted and unnecessary lawsuits that can arise in the workplace. Drawing on her successful legal experiences both in and outside the courtroom, Beth Lincow Cole understands how to protect employers. By developing solid pre- and post-employment procedures for her clients, she assures that they are legally protected.

Beth Lincow Cole has worked for large regional and national law firms, focusing solely on employment issues, on behalf of management within a wide range of industries. Whether you are a start up company with basic questions about personnel files or a larger company with questions about an employee's Family Medical Leave, Beth Lincow Cole can help. Drawing on her experiences, she counsel's companies in the following practice areas:

- Defense in administrative agency matters such as before the DOL, EEOC, PHRC or NJDCR
- Department of Labor Audits
- Discrimination
- Downsizing/Reduction in Force
- Drug Testing
- Employment Contracts and Severance Agreements
- Employment Law Compliance
- FMLA and other family leave laws
- Independent Contractors/Contingent Workforce

To learn more about Beth Lincow Cole and the services her firm provides visit us at <http://www.blclegal.com/>