

Modified Rights Ready Prices

Sample

Below is a suggested strategy for MRR pricing. All the prices are for non-exclusive use of an image in a single project or campaign. Multiple uses of a picture for several different campaigns, or by different customers must be negotiated. Exclusive uses must be negotiated. Price is unrelated to size of use, the length of time the image will be used or the users industry. With the exception of cover uses that must be negotiated circulation is the only factor effecting price.

If the customer's planned use falls into more than one category the customer must pay the appropriate price for the quantity of use in each category. For detailed definitions of MRR usage categories see page 6.

The figures I have provided are my best judgment of what is fair, equitable and possible in today's market. Sellers are free to use the basic template and adjust the prices in any way they choose. Experience will probably show that some prices need to be adjusted and possibly some circulation points changed or added. This schedule is designed to be a reasonable starting point, not an inflexible absolute.

PRINT ADVERTISING (unlimited)	\$2,500
Less than 1,000,000 circulation	\$1,700
Less than 500,000 circulation	\$1,350
Less than 100,000 circulation	\$825
Less that 25,000 circulation	\$650
PRINTED MARKETING MATERIALS (unlimited)	\$1,400
Less than 500,000 pieces	\$1,050
Less than 100,000 pieces	\$720
Less than 15,000 pieces	\$580
Less than 3,000 pieces	\$450

OUTDOOR ADVERTISING (unlimited)		\$3,000
Less than 250	\$1,885	
Less than 50	\$1,625	
Less than 20	\$1,400	
Less than 5	\$1,200	

INDOOR DISPLAY & ADVERTISING (unlimited)		\$1,755
Less than 5,000	\$1,325	
Less than 1,000	\$1,025	
Less than 250	\$905	
Less than 50	\$775	
Less than 5	\$620	

PACKAGING (unlimited)		\$2,700
Less than 5,000,000 pieces	\$2,200	
Less than 1,000,000 pieces	\$1,850	
Less than 500,000 pieces	\$1,375	
Less than 100,000 pieces	\$1,125	
Less than 25,000 pieces	\$950	

PRODUCTS (unlimited)		\$1,200
Less than 250,000 pieces	\$1,025	
Less than 100,000 pieces	\$890	
Less than 50,000 pieces	\$760	
Less than 25,000 pieces	\$620	
Less than 10,000 pieces	\$480	

WEB OR ELECTRONIC OR BROADCAST (Commercial, unlimited)		\$1,175
One web site	\$890	
Multiple web sites	\$1,175	
more than 3,000 emails	\$1,025	
less than 3,000 emails	\$765	
Television	\$870	

OTHER COMMERCIAL (Call to negotiate)

INTERNAL COMPANY (unlimited)		\$450
Newsletter or Magazine	\$300	
Electronic Distribution to Employees	\$140	
Power Point Presentation only	\$10	

EDITORIAL MAGAZINE (unlimited inside use)		\$300
Magazine less than 100,000 copies	\$200	
Magazine less than 25,000 copies	\$125	
Magazine less than 10,000 copies	\$75	
Newspaper only	\$75	

EDITORIAL BOOK (unlimited inside use)		\$1200
Less than 1,000,000 copies	\$900	
Less than 250,000 copies	\$495	
Less than 100,000 copies	\$315	
Less than 40,000 copies	\$180	
Less than 10,000 copies	\$125	

WEB, ELECTRONIC, BROADCAST (Editorial)		\$400
Web	\$140	
Mobile	\$80	
TV broadcast - National	\$250	
TV broadcast - Local or Cable	\$175	

NON-PROFIT AND SOHO USES

See explanation of approach to this category in the definitions on page 7.

ALL COMMERCIAL USES		\$5,000
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SMALL USES

RELIGIOUS (unlimited)	\$15
Advertising Promotion only	\$10
Newsletter or internal Magazine only	\$5
Web or Power Point only	\$3
PERSONAL WALL ART	\$10
COMMERCIAL POWER POINT	\$5
EDUCATION	\$5
STUDENT REPORT	\$2
SOCIAL NETWORKING SITE	\$3
BLOG	\$1
PERSONAL GREETING CARD	\$1
PERSONAL Web Use only	\$1
COMP USE	\$1
OTHER Small Uses (Call to negotiate)	

TWO STEPS TO PRICE

To automate the process of determining a price, begin by asking the customer to click on the category that most clearly defines her planned use. If the customer needs a definition she can click on (D) and the full definition will appear.

COMMERCIAL

Print Advertising (D)

Printed Marketing Materials (D)

Outdoor Advertising (D)

Indoor Display & Advertising (D)

Packaging (D)

Products (D)

Commercial Web,

Electronic or Broadcast (D)

Other Commercial Uses (D)

INTERNAL COMPANY (D)

SMALL USES

Religious (D)

Personal Wall Art (D)

Commercial

Power Point (D)

Education (D)

Student Reports (D)

Social Networking Site (D)

Personal Web Use (D)

Blog (D)

Comp Use (D)

Other Small Uses (D)

EDITORIAL

Editorial Magazine (Inside Use) (D)

Editorial Book (Inside Use) (D)

Editorial Web, Electronic, Broadcast (D)

NON-PROFIT or SOHO (D)

ALL COMMERCIAL USES (D)

Once a category is clicked the list price for unlimited use and a breakdown of the discounts for various smaller circulations appears.

Click on a circulation and the customer can go to checkout.

MRR Usage Categories Defined

The following describes the uses included in each category of the Modified Rights Ready (MRR) business model. Any use not specifically included falls into the “Other” category and must be negotiated. Use in several different categories is not permitted unless each category is purchased separately, or “all commercial uses” is purchased.

COMMERCIAL USES

Print Advertising - Non-exclusive use in any print campaign in a newspaper, magazine or free-standing insert that is intended for commercial or promotional purposes. (Fee does not include web use in the same campaign. If web use is desired it must be purchased as an additional use. See below.)

Printed Marketing Material - Non-exclusive use in any brochure or other printed material including direct mail, annual report, sales catalog, public relations, external presentation or report, calendar, card or sales giveaway. (A pdf version of the finished piece may be distributed electronically.)

Outdoor Advertising - Non-exclusive use on print or electronic Billboards, Kiosks, Outdoor Posters or Transit Displays.

Indoor Display or Advertising - Non-exclusive use as In-Store Displays, Posters, Banners, Hang Tags, Point of Purchase promotions, Trade Shows, Table Tents, Counter Cards, or Internal Wall Décor.

Products and Packaging - Non-exclusive use for retail product packages such as for foods, drugs, toys, software,

video tapes, CD-Rom Discs, Also included are bank checks. Non-exclusive use for retail products such as games, toys, greeting cards, retail calendars, retail postcards, retail posters, phone cards, event tickets, T-shirts and trading cards.

Web or Electronic or Broadcast - Non-exclusive use in any web, electronic or broadcast media - including Internet, email, mobile devices, electronic kiosk, television, video, feature film, theatrical productions or movie theater screen ad - intended for commercial or promotional purposes.

OTHER COMMERCIAL

Any commercial use not specifically included in one of the above categories requires special negotiations. These include: Cover uses of Brochures or Magazines and the Front page of a single issue or edition of a Newspaper, (all lead pictures on inside sections of a newspaper are priced as inside editorial) and all Exclusive uses. In addition uses such as: Press Kit or Press Release, Museum Use, Art Rendering, Art Reference, and all stills in film or TV except for TV editorial must be negotiated.

INTERNAL COMPANY USE

Use in any medium intended for internal company distribution such as newsletters of corporate magazines, brochures or collateral, video, intranet or internal email.

EDITORIAL USES

Magazine or Newspaper, Inside or Back Cover- Non-exclusive editorial use in a consumer oriented magazine or newspaper. Use applies to a single issue or edition and all reprints or printed versions of the original use. Use includes the

right to publish the finished printed piece in electronic format as well. Sections of newspaper are considered inside, not cover. (Front cover use is not included. See Other below for more explanation.).

Book Use, Inside or Back Cover - Non-exclusive use in a single edition of a book including all reprints of the original use for ten (10) years as long as there is less than 10% change in content. Use includes the right to publish in electronic format. (Each new edition requires a re-license, but customer does not have to re-license the image for reprints of different versions of the same edition.) Additional languages must be negotiated. Front cover use is not included and must be negotiated separately.

Note: Many will find my book prices for higher circulations wildly out of line compared to what many in the industry have been charging. The industry has tended to treat higher book circulations in the same way it treats higher circulations for advertising uses, but unlike advertising uses books are a product and each additional book generates significant additional revenue for the publisher. At my price points the publisher's cost-per-copy for higher circulations is still greatly reduced compared to when they paid an additional re-use fee every time they went back on press to print an additional 40,000 copies. When being asked to quote a price for very high circulation determine the retail price of a book and then multiply that by the number of copies the publisher wants authorization to print. Then consider how little the publishers wants to pay for all the image used in the book. Is it necessary for photographers and agencies to subsidize these large corporations? If you have to price your product lower because everyone else is doing it do so, but recognize whose business your destroying.

Web or Electronic or Broadcast - Non-exclusive editorial use on the Internet, in electronic or broadcast media, in documentaries or on mobile devices. A single use is defined as a single edition, issue or program and all copies or versions of the original appearing in electronic or broadcast format. Any major change in the overall presentation is considered a new use. This price is not intended for uses that are commercial or promotional in nature.

NON-PROFIT AND SOHO USES

The pricing template for both of these uses should be structured so the customer first clicks on one of three base types of use: Commercial, Non-profit or SOHO. At that point the customer chooses one of the above 12 categories. If the customer clicks Commercial he is given the numbers listed above. When Non-profit is chosen the customer is given a price that is approximately a 50% discount of the Commercial price. When SOHO is clicked the customer is given a price that is approximately a 75% discount of the above listed prices.

The percentage discount can be adjusted for each general type of use rather than maintaining the same percentage throughout, but in general these percentages give small users a reasonable break without providing extreme microstock discounts to commercial ventures that are technically Non-profit of SOHO and intend to use the image in significant ways.

All Commercial Uses - Unlimited use in any medium for a single client and a single campaign or project intended for commercial or promotional purposes. [Not including press kits or uncontrolled use by others (see Other below.)]

ADDITIONAL SMALL USES -

Religious - This fee is for any type of printed material prepared by a religious organization, or any power point presentation.

Commercial Power Point - The image may be used in any type of power point presentation created for commercial or business purposes.

Education - For teachers, academics or higher education students on a single user basis for any of the following combinations: interactive whiteboards, handouts, project work, reports, dissertations/theses or presentations/lectures. This price does not apply to commercial publishing uses.

Student Report - The image may be used by a registered student in any elementary, secondary program in any type of report, power point presentation or project.

Social Networking Sites - For use by a single person on social networking and virtual world websites for an unlimited time. Images cannot be used for advertising, promotion or in a defamatory, sensitive of controversial manner.

Personal Wall Art - The digital file may be used to create one print for hanging in one's home or place of business. An additional fee should be paid for each additional print desired. (As part of the invoice with this purchase, a certificate would be provided that the purchaser could take to Kinkos or some similar print shop authorizing that one print be made. Upon delivering the print, the print shop retains the certificate.)

Blog Use - Use in articles posted by a single blogger on personal and special interest blogs for an unlimited time. Imag-

es cannot be included on a corporate site, used for advertising or promotion or used in a defamatory, sensitive or controversial manner.

Personal Greeting Card - The digital file may be used to create an online greeting card that is sent to no more than 25 friends. Cards may not be sold or used for any type of commercial purpose.

Personal Use - Includes unlimited non-exclusive use for personal web sites, mobile devices, PDAs and uses that benefit the individual and his/her family. Images purchased at this price may not be used for any type of commercial or research purpose that will eventually generate revenue. Image may not be sold or given to any user other than the purchaser.

Comp Use - An unwatermarked image may be downloaded for comp or design purposes. An additional fee must be paid if the image is eventually used in any publically distributed product on the web or in print.

Other Use - If your planned use does not fall into one of the above defined categories please call or email and we will provide a custom price for that use.

DEFINITIONS:

Commercial Use - Commercial use is defined as using an image in any manner to offer a product or service to consumers, or to recruit staff for a commercial venture or fund raising.

Tracking Unauthorized Use - Commercial users should recognize that technology will be used to track online uses of the image. If it is discovered that the image has been used in

an unauthorized way, the purchaser agrees by contract to pay a usage fee of (10) times the normal fee listed on the Web site for the type of use involved, plus any legal fees involved in collecting the usage fee.

Payment On Account - Commercial and non-profit users may make arrangements to be billed monthly and pay on account. Call to set up an account. All small uses, including SOHO, must be paid by credit card or a PayPal account at the time the image is downloaded.

STRATEGY CONSIDERATIONS

This strategy focuses on pricing simplicity without forcing equality regardless of whether the image is being used for personal or commercial purposes. Customers aren't demanding that every user be treated exactly the same, but rather that the process is fair, easy to understand and it is easy to determine a price. Commercial customers may not always know size or quantity of their intended use, but they always know generally how they intend to use the image. With that information alone, and using this system, it is easy to determine a price.

For the most part uses are limited to a certain project and circulation and not unlimited for multiple projects forever. We believe customers seldom use images in multiple unrelated projects. In these rare instances a fair price can be negotiated.

In some cases, particularly in the Small Use categories, it may be wise to start low until the size of the market, and the specific buyers within that market, can be identified. At that point it may become obvious that slightly higher prices are appropriate for certain categories.