



## Pricing Trends Survey 2008: The Client Perspective

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## **INTRODUCTION**

For the first time, the BAPLA Pricing Trends Survey has been expanded to provide a more rounded view, through surveys conducted online and by telephone of picture buyers in various market sectors, including members of the Picture Research Association. Due to the relatively small number of telephone interviewees, comments in that section have been reproduced with only minor editing, in order to give an accurate reflection of the range of views expressed.

The views and opinions expressed in this Client Perspective of the Pricing Trends Survey do not represent the views of BAPLA, nor do they necessarily reflect the wider views or policies of the companies concerned. All views and opinions must be considered in their specific and wider contexts, and comparison with BAPLA members' responses in the membership survey may prove especially useful and thought-provoking.

Tim Harris  
Chairman of BAPLA Rights Committee  
November 2008

**PICTURE RESEARCH ASSOCIATION SURVEY** (sample size = 42)

This anonymous survey was conducted online with the kind permission of the Picture Research Association, and focussed on trends in buying rights for book projects. It mirrors many of the questions in the BAPLA members book publishing survey.

**Do you buy images for book use?**

*There were 41 responses to this question.*

Yes: 90% (37)

No: 10% (4)

**Which of the following best describes your role in buying images (for book use)?**

*There were 40 responses to this question.*

Freelance: 55% (22)

Employee of a book publisher: 33% (13)

Other: 12% (5)

- The five 'other' roles mentioned included two instances of employees of a magazine company, and one each of employees of a stock library, a research company and a self-employed designer.

**Who has the authority to negotiate fees (please tick all that apply)?**

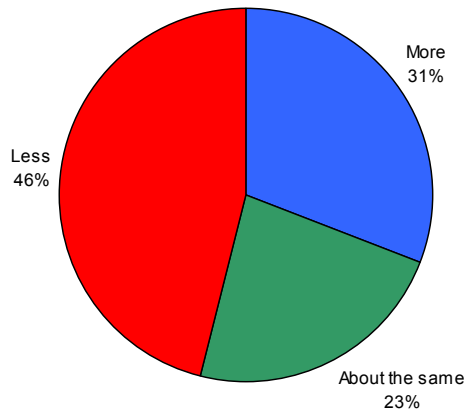
*There were 39 responses to this question.*

In-house staff: 72% (28)

Freelance image buyers: 49% (19)

***If you are a freelance, do you find that you are doing more or less negotiation than two years ago?***

*There were 13 responses to this question.*



***In your view, have there been changes in the last two years in the way your company/companies you work for ask you to buy images?***

*There were 39 responses to this question.*

Yes: 59% (23)

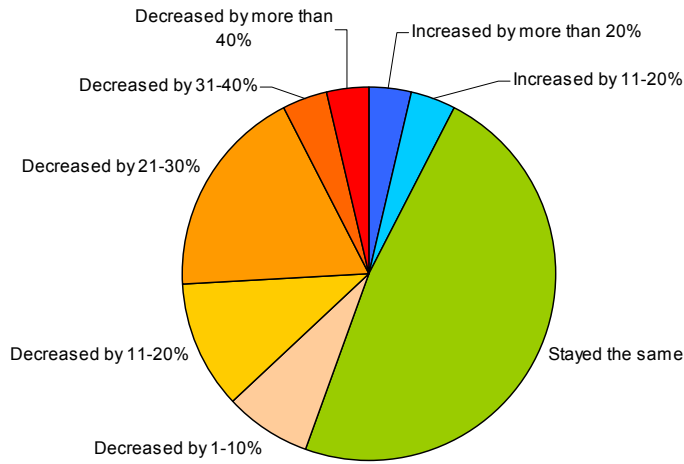
No: 33% (13)

N/A: 8% (3)

- Of the respondents who answered 'yes' to this question and who supplied further details, just over a quarter said that they are being asked to source cheaper images (or even free images), sometimes at the expense of quality.
- 20% said they are either restricted in the sources they are allowed to use, or are told not to stray from the preferred vendor list.
- 20% said they had noticed changes in the rights being offered (e.g. they are broader, less specific) and that libraries are more flexible than they used to be regarding licensing.
- 10% said they are being asked to ensure that electronic rights are included in any deals they make.
- 10% said they are being asked to source Royalty Free and/or microstock images more than they were.
- 10% said they have noticed an increased demand for the downloading of online images.
- 10% said that budgets are lower.
- Other respondents commented that any negotiating is done by the in-house staff, more flat fees are now in evidence, online buying has become easier, prices are lower, and that they sometimes look for deals where one library is the main contributor. One respondent also made the comment that it took a while for most libraries to accept freelancers as buyers, and that even now some libraries still do not register this fact.

***In your opinion, how has the picture budget for a typical book changed over the last two years?***

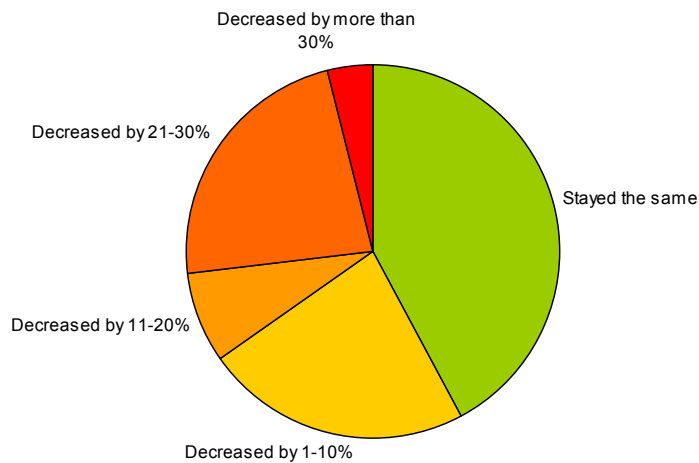
*There were 31 responses to this question.*



- In addition, four respondents indicated that budgets have fallen, but were unable to put a figure on how much they have fallen by. One respondent commented that even though budgets have remained largely the same, more rights are expected for that money.

***How has the average price paid per picture changed in the last two years?***

*There were 33 responses to this question.*



## Generally speaking, who do you buy your images from?

There were 39 responses to this question.

Your own preferred suppliers: 23% (9)

A range of agencies: 59% (23)

Preferred suppliers indicated by the company you're working for: 18% (7)

## Do you ever go to anyone outside of your preferred supplier list?

There were 38 responses to this question.

Sometimes: 39% (15)

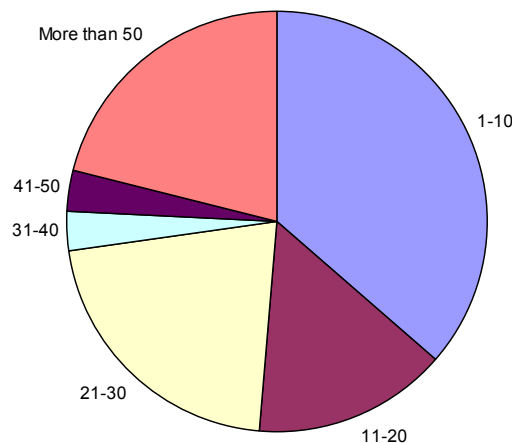
Often: 58% (22)

Rarely: 3% (1)

Never: 0% (0)

## Approximately how many image sources do you use?

There were 33 responses to this question.



- Numbers quoted in the 'more than 50' category were 100; 150; 300; about 300; up to 1,000; 7,000; and about 15,000.
- A few respondents pointed out that the figure they gave related to the number of sources that they use on a regular basis, but they occasionally use other sources when working on more specialist projects.
- A number of respondents pointed out that the figure they gave did not take into consideration any freelance photography that might occasionally be required.

## In your view, who has the greater influence on prices?

There were 38 responses to this question.

Clients: 66% (25)

Picture libraries/agencies: 34% (13)

**How would you describe your experience of buying images from picture libraries?**

*There were 38 responses to this question.*

The overwhelming response to this question was that, in general, dealing with picture libraries is simple and straightforward (the only two respondents who strayed from this view offered up comments of 'variable' and 'hard work'). The following comments were also made:

- "Some of the smaller agencies are expensive."
- "Getting more flexible."
- "I can make fee agreements and do high-res downloads, and for new agencies I can negotiate or calculate a fee before downloading."
- "It's more flexible than five years ago. Agencies seem to have a better understanding of market realities than in the past."
- "Helpful and friendly although sometimes aggressively defensive (especially some of the smaller agencies) and frustrating (from the bigger ones)."
- "Totally online now. Very easy with certain libraries, others it's a bit more tricky because of being freelance. Mainly using internet searches now rather than getting searches done by libraries."
- "Very good. They need to make sales in a tightening market."
- "Very good. I usually know the account executives that I deal with and so service is mostly fast and efficient."
- "Most agencies make it very easy and are very helpful. Accessible websites and hi-res download privileges make my job much easier."
- "It's getting better all the time."
- "Most are efficient and speedy and there is masses of choice for the picture buyer."
- "Different in this day and age of computers – we don't often need to speak to anyone!"
- "Mostly very good. Easy access downloading is very useful; it can be restrictive when we can't do this."
- "Generally very helpful though not always as knowledgeable as I might hope. Far less personal these days with downloads but I guess that gets the job done faster!"
- "Usually straightforward, especially when agreements are in place."
- "Because I am a new freelancer it has been difficult for me to gain trust. At first, I could not get hi-res images when I asked for them."
- "Generally I get a very good service from my preferred libraries but there is a big problem with surcharges."

**How can picture libraries/agencies improve the way they work and the services they provide to you?**

*There were 29 responses to this question.*

- A quarter of all respondents to this question highlighted image keywording as an area that is ripe for improvement.
- 13% said simpler fee structures (or a greater flexibility with fees) would be an improvement.
- 10% said they felt that images could be supplied more quickly than they currently are.
- 10% said that websites could be improved (with one respondent expressing a desire for improved compatibility with different browsers, especially those favoured by Mac users).
- 10% said that communications from libraries could be improved (e.g. out of office responses should be a standard requirement and more emails informing clients of new material would be a good idea).
- 7% said that they'd like greater access and/or more opportunities to download directly from websites.
- 7% said that the agencies they use do a perfectly good enough job as it is.
- Other general areas mentioned included rights simplification, a standardisation of image size and resolutions, more pre-set bulk deals, and more online content.



In addition to the above, the following comments were also made:

- "Better customer connection without being annoying."
- "Stay plugged in to the changing face of publishing and listen to the buyer when they explain how the market is now working."
- "Releasing Royalty Free images upfront of payment."
- "Staff training, visual literacy, knowledge of resource, general knowledge etc. (this ONLY applies to large agencies)."
- "Be prepared to sell at low prices for only a few pictures for goodwill."
- "Be more accessible (i.e. having a real person available to talk to when things go wrong online)."
- "There's nothing like the personal approach: dealing with the same person who knows the sort of pictures you are looking for, and how your particular set-up works. Now that we don't often go personally into the picture libraries, it would be good to have more events where we can meet the picture library people face to face, e.g. at their library, in a relaxed social setting (preferably with food and drinks). The PRA tries its best to promote this."
- "So research can be done at any hour, the bigger libraries should have in-house researchers on around the clock."
- "My only recommendation is that everyone should have an ftp or the equivalent – a way for buyers to pluck the images off the internet after purchase. When working with individual photographers, it is more of a hassle getting images the way I want them (e.g. if I ask for a CD I get an argument)."

**Which of the following picture licensing models do you regularly use (please tick all that apply)?**

*There were 35 responses to this question.*

Rights Managed: 100% (35)
Royalty Free: 63% (22)
Microstock: 43% (15)
Rights Ready: 26% (9)
Subscription: 20% (7)
Other: 14% (5)

- The 'other' models indicated were: public domain, direct from photographers, preferred vendor pricing agreement, and special bulk deals for a title or series.

**Has the total amount that you (or the clients that you work for) spend on images changed in the last two years?**

*There were 31 responses to this question.*

Yes: 61% (19)
No: 39% (12)

- Of the 19 respondents who answered 'yes' to this question and who provided further details, just over a quarter of them cited lower budgets (or a desire to simply spend less) as an influence on the amount they spend on images.
- 15% said the growing influence of microstock and Royalty Free images has meant that images are now perceived as being cheaper.
- 11% said that prices have fallen as a consequence of deals they have set up.
- 11% said that the influence of the bigger agencies has forced prices down.

- Other comments made included the following: educational books seem to contain more photos and less artwork these days; that there is "a shift from emphasis on quality and visually suitable images to unashamed cost cutting and time-led projects", that subscription accounts have resulted in lower prices; that the market is saturated (one respondent commented that "I once put out a request for a rare blue whale; by deadline we had received 842 images"); that commissioned images are being re-used more; and that "we're doing more textbooks for which we only use images on the covers".

**Which of the following statements applies to your company and/or your experience of buying images (please tick all that apply)?**

*There were 34 responses to this question.*

Buying more online: 88% (30)
Buying more from one supplier: 44% (15)
Buying more from overseas: 21% (7)
Buying less: 3% (1)
We buy more Rights Managed than Royalty Free: 74% (25)
We buy more Royalty Free than Rights Managed: 3% (1)

**Given the choice, do you (or your clients) generally prefer a flat fee or a fee depending on usage?**

*There were 34 responses to this question.*

Flat fee: 56% (19)
Fee depending on usage: 44% (15)

- Of the respondents who said they generally prefer to pay flat fees and who provided further details, 41% said this is because such a system is easier to administrate.
- 35% said a flat-fee structure was simply easier all round.
- 18% said that a flat-fee structure simplifies their budgeting.
- 18% said that the flat-fee approach saves a lot of time.
- Other respondents commented that the flat fee approach means that they don't need to send layouts; it's more economical in general; it allows them a greater degree of flexibility; and they don't have any rights issues.
- Of the respondents who said they generally prefer a fee depending on usage and who provided further details, 21% said they like the idea of paying for what they get (particular reference was made to the fact that thumbnails work out cheaper this way).
- 21% said that as producers of publications of small print runs, this approach works best for them.
- 14% said they prefer this approach because that is how most of the libraries they deal with operate.
- 14% said it allows them more room to negotiate prices.
- Other respondents said that they prefer this approach because it's financially easier; they like to be flexible with their image costs (as prices are rarely consistent from one picture library to the next, and that such fees work out being cheaper when dealing with publications that only need limited rights).

**What are the typical rights territories you buy for (e.g. UK, English language world, world rights all languages)?**

*There were 34 responses to this question.*

- 42% of respondents to this question indicated that they typically buy world English language rights.
- 30% said they buy world all language rights.
- 15% said they typically buy rights to cover the UK.
- 6% said they buy UK and Commonwealth rights.
- 6% said Scandinavia.
- Other rights packages purchased included the following: world English language (excluding North America); North American English; North American English and French; a blanket 'all'; Caribbean; and Western Europe.

**Have the rights you ask for changed in recent years, and if so how?**

*There were 8 responses to this question.*

- Four of the eight respondents to this question said that the rights they buy haven't changed at all in recent years.
- One said that they have moved from requesting world all language rights to requesting world English language rights (i.e. they are being more specific in the rights they ask for).
- One said that they have just started to ask for world all language rights (previously they asked for world excluding North America).
- The other two respondents said they are simply buying more rights now to avoid having to go back and re-permission; and that they are buying more rights but at the same price as before.

**Do you (or your clients) need separate fees for electronic stand-alone projects?**

*There were 33 responses to this question.*

Never: 15% (5)

Rarely: 30% (10)

Sometimes: 43% (14)

Always: 12% (4)

**Do you (or your clients) need 'bundled rights' such as all editions, all formats and editions, all print and electronic formats?**

*There were 33 responses to this question.*

Never: 24% (8)

Rarely: 3% (1)

Sometimes: 52% (17)

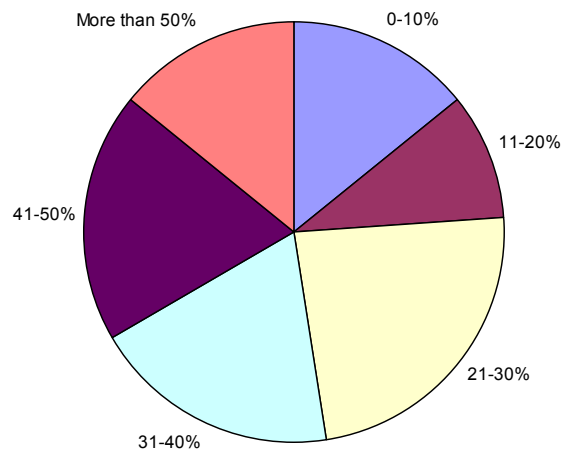
Always: 21% (7)

- Of the 15 respondents who provided further details, 33% said that they typically buy rights to cover all editions.
- 33% indicated that they buy electronic rights.
- 13% said all print and electronic rights.
- 13% said English language world rights.
- 13% said rights for teachers' and pupils' books.

- A variety of other rights packages were mentioned, including world rights all languages; rights for European territories; North American rights; magazine and book rights, hardback and paperback rights; all formats; marketing use; all future editions and split-downs; and foundation editions.

***If so, what percentage would you expect to pay for these options on top of the one edition price?***

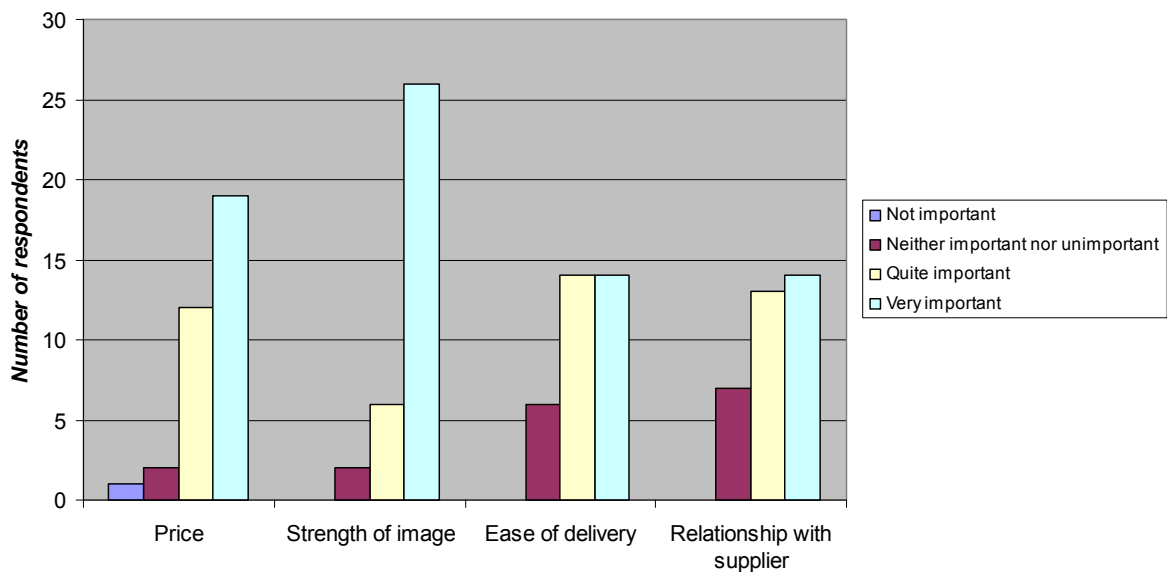
*There were 23 responses to this question.*



*“My client negotiates down to the bone expecting to pay less because they use many pictures; and they really do, and thus give the agencies a lot of business which they can't afford to turn down.”*

***How important to you are price, strength of image, ease of delivery and your relationship with the supplier when making decisions about licensing images?***

*There were 34 responses to this question.*



## INTRODUCTION

A series of anonymous telephone surveys were conducted between November 2007 and September 2008 by Angela Anderson, who talked to picture buyers in various sectors in order to obtain a more rounded view on pricing trends from the clients' perspective. It proved more difficult to find suitable and willing candidates to interview in some sectors than others, which explains why there is more information on book publishing, for example, than advertising. BAPLA would welcome more suggestions of market sectors or individual contacts, who may be prepared to participate in future telephone surveys of this kind.

## BOOK PUBLISHING, U.K.

***Do you have in-house picture researchers, or is this covered by other in-house staff (e.g. editorial, design) or by freelancers?***

- "We use freelancers with the exception of one in-house researcher in the travel division. We work with a number of packagers who either assign a picture researcher or organise their own research. In-house designers occasionally do some of their own research. Sometimes this is in order to keep the costs down and it means we don't need to use freelancers, especially for titles where a small number of images are required. In-house administrators do the admin, including rights clearance. A small amount of picture research is currently done in-house by the picture research team."
- "We have two in-house picture researchers, one picture manager and we also use freelancers. The editors make suggestions and also do some research."
- "We have in-house researchers and we also use freelancers."
- "We have two in-house picture researchers and 12 freelancers. Editors and designers don't do their own picture research."
- "We use freelancers. Designers sometimes do their own research. Picture researchers carry out the administrative tasks (e.g. clearing rights)."
- "We have one in-house picture researcher in addition to our in-house designers."
- "My division has three in-house researchers and we also use freelancers. Editors and designers sometimes do their own research. In-house researchers carry out the administrative tasks."
- "We have both in-house picture researchers and freelancers. Designers are actively discouraged from doing their own picture research."
- "We make use of all of the above: two in-house picture researchers, freelancers, in-house designers. The latter tend to use Shutterstock or research the more generic pictures and do about 10% of our total picture research. Picture researchers clear the rights and arrange the payments."
- "We use mainly freelancers, designers or anyone in-house with a knowledge of pictures."

***Within your company have there been changes in the last two years in the way you buy images?***

- "We are using more Royalty Free images than we used to, but the majority are Rights Managed. RF is good for multiple use within one book which makes the fee competitive, but the down side is that you can't control usage, such as on a jacket, which means that any other publisher can use the image. We are using microsites more often as our budgets tighten."
- "More of our purchases are made online and we also use Rights Ready and pay-as-you-download."
- "Yes. We use more commissioned pictures and more RF. We commission so we get what we want and can use the images again."

- "Yes. We buy many more RF images, typically 50%."
- "No. We still pay four weeks before publication date. Picture researchers are still in charge of buying pictures."
- "Yes. Designers are doing their own research, but the actual buying process is the same as before."
- "Yes. We increasingly use microstock images and iStock. This is partly due to cost and because we like the pictures; increasingly the choice is as wide as that of RF."
- "Yes. We buy more and publish more books and use pictures in books which weren't previously illustrated. We now buy different types of images."
- "Yes. We are using more RF images and, in the last year, the microstock model. Cost is the driving force."
- "Yes. The commitment has changed. We pay less but have a minimum expenditure commitment. We negotiate group-wide deals and currently have five, with 20 book-by-book deals."

***Has the picture budget for a typical book increased, decreased or stayed the same over the last five years?***

- "Decreased. We are producing fewer books than five years ago. Our business plan is to produce fewer but better books. We are approaching photographers directly and doing deals for some of their stock pictures. We are also doing deals with agencies for particular books which have a low budget; this overrides the fee agreements. We are looking at decreasing our fees for 2008 because budgets are becoming more challenging."
- "Stayed the same for individual pictures, but our overall budget is less."
- "Decreased. We expect more for our money and more free images."
- "The overall book budget has decreased (this includes editorial, design and printing costs etc.). This is because we are a purely educational publisher; some titles are not-for-profit or produced at cost price. We use freelancers in India."
- "It has stayed the same but there is pressure to decrease."
- "Decreased. We are wanting to keep our costs down as we move from doing trade books to doing more academic titles."
- "It is the same. We are using more pictures in books."
- The remaining three respondents simply said that their budgets have decreased.

***Has the average price paid per picture changed in the last two years? If so, how?***

- "Prices are coming down. Competition from microsites is influencing fees and their images are of increasingly good quality."
- "In general, the big libraries are more flexible; their prices have gone down and there is more room for negotiation."
- "There is pressure to pay less. Publishers are looking at their profit margins all the time and aiming to reduce costs."
- "Decreased by about 40%. We are using more Royalty Free and re-using images. We're also shooting our own pictures with a view to re-using them."
- "Different books pay differently. We haven't really changed the fees we pay, though stock pictures have been reduced by about 10%. Gardening images remain the same sort of price. Generally, smaller agencies haven't reduced their charges."
- "They've come down slightly as agencies have dropped their prices."
- "The average price has gone down slightly."
- "Yes. We pay less per picture."
- "Decreased."
- It has decreased. As the larger picture libraries are buying the smaller ones it gives more room to negotiate."

***Generally speaking, do you buy from a range of agencies or from preferred suppliers?***

- "We use a range of agencies; we want the best picture for the best price."
- "We have core suppliers and use a whole range of agencies, depending on the book we need them for."
- "We do have a list of preferred suppliers but use a range of sources."
- "Preferred suppliers. If we want to go to anyone outside that list it needs to be approved."
- "We use a range of agencies."
- "We use a preferred supplier due to costs."
- "We use a wide range of agencies, though some are used more often than others. We use many different sources for our specialist books."
- "We have a list of preferred suppliers with whom we have pricing agreements. We also use a large amount of agencies and photographers because we have very specific picture briefs."
- "We tend to use preferred suppliers with agreed fee structures."
- "We use a range of agencies as there's always specific pictures which are needed."

***Do you go to anyone outside of your preferred-supplier list?***

- "Yes. We are moving away from using big picture libraries and going to specialist sources instead. We find the problem with stock libraries is that everyone uses them, but we want our books to look unique."
- "Yes, but if we go to anyone outside the preferred supplier list it needs to be approved."
- "Yes. We have 72 preferred suppliers but go to others as well."
- "We need to be open minded and so we do use other sources. For example, we are currently producing a book on country houses and our researcher is approaching people at the houses themselves."
- Six respondents simply answered 'yes' to this question.

***Approximately how many sources do you use?***

- "We have more than 150 deals and also use other sources, so there are effectively an infinite number of sources. We do have a top 25 that we use regularly, though."
- "We have a core of 15, although more than 100 are used altogether."
- "More than 200."
- "We have accounts with about 50 preferred suppliers. Approximately 200 other libraries are also used."
- "We regularly use about 20 sources, after that it is unlimited."
- "We have 30 preferred suppliers and 50 others as well."
- "More than 500."
- "More than 600."
- "About 20 on a regular basis."
- "Fifty, although this number is increasing."

***In your view, who has the greater influence on prices: clients or picture libraries?***

- "Clients. We're an important part of the book publishing sector so we have bargaining power."
- "On balance, it's moved towards the client having more influence as agencies become more competitive."
- "Clients. There is more competition within agencies."



- "Picture libraries. This means we walk away from libraries we can't afford and have closed accounts with expensive libraries. We are an international company and use overseas offices (e.g. Greece and Mexico) to source images because they are so much cheaper."
- "Picture libraries. We feel we can only negotiate so far."
- "Of all the publishing areas of spend, images tend to have the lowest budgets so we have to bargain hard and can drop images where necessary. Proactivity in terms of assessing, communicating and therefore managing pricing models often falls to the buyer. If the library does not have the knowledge base or understanding regarding the progressive use of images by its clients, then it will be up to the client to dictate a pricing model. Buyers now have more choice of supplier than ever before."
- "This has changed in the last year or so to be predominantly client influenced."
- "The client mostly, but a bit of both. The price is influenced more by the client. Smaller libraries hold a bigger sway. DACS has the greatest influence."
- The remaining three respondents simply answered "clients".

***How would you describe your experience of buying images from picture libraries?***

- "Easy. Most agencies have instant downloads and they don't always need exact use or project details, so that saves time. It's irritating to give details for each picture (e.g. print run, territory) or if a batch of images need to be downloaded separately. There are good developments technologically."
- "Generally pretty efficient."
- "Things we like: the speed of websites (we can get pictures very quickly); the fact that we can get high-res downloads via the internet; dedicated account handlers (we have better relationships with the agencies that have them, although we need to know if that person is replaced). Things we don't like: service charges; not knowing who to contact; inflexibility (e.g. we may need pictures on a disc and some agencies will only send a lightbox or want to charge for the disc); it's difficult to keep up with who owns who – we have to read specialist magazines to find out."
- "Service levels have dropped; expertise and knowledge of their collection has gone. Libraries often don't respond to contacts from freelancers and don't understand the way that publishers work. Smaller specialist libraries continue to be good but they have little contact with larger ones. Freelancers have their favourites based on getting a good service from libraries who understand their needs (e.g. some agencies refuse or are reluctant to put images on CD for freelancers or don't return calls)."
- "It's simpler than it was. Downloads are easier and faster."
- "It's getting much easier (mostly due to the digital revolution); we now have the ability to download and images have better resolutions. Agencies are keen to help."
- "Good. We can find the images quickly and conveniently. We like being able to download directly from the agency sites and some sites allow you to clear permissions online. We approve of straightforward fee structures and find many images of good quality with a wide choice."
- "Not as easy as it should be. Websites are generally very good and easy to use, but agency research can be problematic. Agencies have replaced researchers by sales people and aren't sending appropriate images. We try to be specific in the kind of images we need, but we still aren't sent appropriate pictures (fortunately some agencies are bringing back skilled researchers). Metadata has a lack of standards and it's difficult to track the flow of images; there isn't always a file attachment. Keywording is difficult to manage; agencies whose sites are overloaded with keywords are difficult. It's good to be able to instantly download high-res images – the agencies which provide this service are popular because publishers need quick downloads (it's also easier to manage the administration if you're not waiting for images). If there are permission issues with certain images we need to be informed sooner (details should be on the website). Advice and information should be more forthcoming as it can be difficult to control costs. Agencies should be more helpful in tracking down those images which have moved to another agency."
- "Pretty good; straightforward and quick."



- "We enjoy good relationships with our suppliers."

***How can picture libraries improve the way they work and the services they provide to you?***

- "Having to give details online of the publishing rights required to agencies with which they have a deal is time consuming and doing that for each picture takes ages. It's good to be able to download multiple images as individual downloads take a long time. Communication is good; the industry generally has friendly and efficient customer service."
- "They don't all caption very well (e.g. some don't always include a date or medium of a painting). It's good being able to download high-res images from the site. We have problems with people not replying to emails (e.g. requests for high-res, enquiries re image altering etc. – it can often take two weeks for some agencies to respond). There are fewer experts who know their collections; libraries have become more marketing based. Smaller companies are being swallowed up by larger ones."
- "Most agencies don't have a clue about the kind of images educational publishers need. There is little understanding of the market. Publishers like new ideas but are sent images which aren't suitable, not the kind of thing they'd use (they're either too geared to advertising or corporate markets or contain nudity). Agencies need a better understanding of books. Some shoot especially for the market but more should do this. Publishers need good, modern UK images and not US lifestyle images. Royalty Free pictures are shot with both UK and US in mind; for marketing we need images which are evidently UK. Many agencies are very late in sending invoices, we have to remind them once or even twice – we don't remind them any more after that. We don't like not being able to get hold of people. If we aren't dealt with helpfully, it puts us off using them. This is partly where our preferred supplier list comes from; freelancers recommend people who are helpful. Libraries aren't aware of the range of electronic products or what/how to charge for them."
- "Develop better relationships and take freelancers seriously (e.g. grant them easier access to hi-res downloads.)"
- "Some websites could improve; it's useful to be able to give the project title online, to avoid having to go through records later on to find which book the images were for. Agencies don't always provide high quality scans first time round. We like having our own account manager and picture researcher; this is standard practice amongst agencies."
- "Everyone should have access to instant downloads. All information should be embedded in images and picture numbers should be simplified. Images should be watermarked so that you can trace them."
- "We don't like the fact that there are several different systems, some of which are complicated. For instance, one library doesn't follow up usage; some sites don't allow direct downloads and you have to email them to request high-res images and they invariably need chasing. We would like to see standardisation with regard to clearing rights and downloading."
- "Recognition of freelancers (e.g. training, open days, training on new technology); it has improved but could go further. We don't always have the ability to download high-res images and sometimes have different access. We would like to see more of a dialogue between picture buyers and picture sellers: events, social occasions, Q&A sessions, individual conversations etc."
- "We have a problem with some agencies who want to charge a fee for using images for layout. Agencies want to invoice straight away, but we often select several images and only use one which means the agency needs to raise a credit note for the ones not used (which is complicated)."
- "Picture libraries shouldn't count their chickens and expect to get a certain number of pictures in each book."

***Which of the following picture licensing models do you regularly use: Rights Managed, Royalty Free, microstock, Rights Ready and subscription?***

- "All of them except Rights Ready, though we don't generally use subscription models. We are starting to use the subscription model for setting up deals for electronic products."
- "Rights Managed, occasionally Royalty Free and Rights Ready."
- "All except Rights Ready which is too restrictive."
- "Royalty Free and Rights Managed, some microstock which is a recent development for us (freelance designers like to use microstock)."
- "All except Rights Ready but mostly Rights Managed."
- "Rights Managed, Royalty Free and subscription."
- "All, but more Rights Managed than the others."
- "All of them. We use microstock for cost and ease."
- "We use Shutterstock for about six months a year and we take out a monthly subscription if the pictures are relevant to a particular book we're working on. We don't have any ongoing subscription deals and we don't use Rights Ready."
- "Rights Managed (because of deals). We almost never use the other models."

***Has the total amount your company spends on images changed in the last two to five years, and has there been a shift from Rights Managed to Royalty Free or other models?***

- "We are not spending so much. This is partly because the prices are lower, the budgets are lower and we are publishing fewer books. We are using more Royalty Free images but not enough to warrant calling it a significant shift."
- "It's changed because we are publishing more books; the budget for individual pictures hasn't changed. There has been no major shift away from Rights Managed."
- "We've shifted from using only RM to using all other models, not just RF. Expenditure has increased overall because we are publishing more books, but we aren't spending more per page or using more images in each book."
- "We're now using more RF images as we can negotiate these prices, get discounts and also re-use within the publishing group we belong to. Our books need to be affordable as they have low print runs. Those sold to the developing world are either not-for-profit or sponsored (e.g. by World Bank)."
- "Expenditure is down, though this could be because we are publishing fewer books. There is no shift to RF but we are using microstock images. Overall, our fees have also gone down because we have good deals with agencies."
- "We get RF images under RM deals. We are spending a bit less as we are moving from photographs to illustrations."
- "Budgets have been cut. We try to find microstock or free images whenever we can. We have our own database of images and are encouraged to use them first of all, though they can't usually be used for specialist images. We use microstock for covers."
- "We are publishing more and spending more because the books are more illustrated, but the fee for each picture is lower. There has been a shift from RM to the other models."
- "Expenditure is down. We aren't using more images but we do use more packagers<sup>1</sup> for our books. Our increased use of RF is mainly for our marketing campaigns, as using marketing rates makes the pictures more expensive otherwise. Our books almost always use RM images because the pictures are better for specific subjects (e.g. animals)."
- "Grown. We are publishing more large books with 800 images."

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<sup>1</sup> A packager is someone who edits and designs the book for the publisher, thereby offering them a package.

***Do you prefer a flat-fee structure or a broken down granular one?***

- "Flat fees makes it easier for us to budget. We use around 20 main suppliers so it's more straightforward to compare flat fees."
- "Flat fees because we need to work out our costs quite closely and get the budget approved beforehand. One of our journals has very tight budgets and other costs are taken into consideration because the overall price is fixed (e.g. if fuel or printing costs increase, picture costs have to decrease)."
- "We have both but prefer a flat fee structure because it makes it easier for us to budget, although flat fees don't work for specialist books. Picture sizes might be an issue for some titles; we wouldn't want a flat fee if a large number of pictures were reproduced at a small size."
- "Flat fee."
- "A flat fee structure makes it easier for us to budget."
- "We increasingly like a flat fee structure; it's easier to administer because you are comparing like with like and it makes it easier to budget."
- "Granular, because each book is different. We don't like the print run restriction because we never know what the print runs are and we need different territories."
- "Flat fee based on volume sales; we don't want decisions to be made on costs."
- The two remaining respondents simply answered "granular".

***What are the typical rights territories you buy for (e.g. UK, English language world, world rights all languages) and have these changed in recent years?***

- "World English language. This hasn't changed."
- "We clear world all languages and world English language excluding USA. This represents a change as we are now clearing broader rights upfront so there is less administrative work involved."
- "World English language excluding USA and Canada, cleared for all projects."
- "Territory hasn't changed; we clear world English language rights including USA or world all languages."
- "These have changed as we're now increasingly buying broader rights (we used to buy single territory, now it's world). Because the fees are lower it is easier to clear rights upfront, which means lower administrative costs. We now clear world all language, world English language, and world English language excluding USA for print. With multi-platform use (including electronic), we ask for world English language rights because we don't translate electronic products; it's only for school and English language teaching."
- "We are clearing rights in more territories because we are opening offices in several other countries (e.g. eastern Europe). We used to clear world English language, but now request individual eastern European countries. We are publishing more trade books instead of mail order and they are paperback, so we now clear both hard and paperback editions."
- The other four respondents all answered world all languages; a situation which hasn't changed for them."

***Do you need separate fees for electronic stand-alone projects?***

- "We don't do stand-alone projects but would like prices to include electronic products, which are always linked to the book."
- "No. Our only electronic need is for promotional website use."
- "We regard stand-alone electronic products the same as books and pay the same fees. We pay 50% for electronic products which relate to a book."

- "Yes. We are beginning to think more about electronic products. In future we may publish both simultaneously and would like a percentage to be quoted initially. We tend to go to any supplier who makes price quotation easier (many agencies don't know what to charge) and we have deals with the major suppliers."
- "We would like to in future, but at the moment such fees are based on print fees. Print will always be necessary. People expect to buy accompanying electronic products. At the moment we only produce companion products, but this will change."
- Of the other five respondents to this question, two simply answered 'no', two answered 'not yet' and one answered 'yes'.

***Do you need 'bundled' rights (such as all editions, all formats and editions, all print and electronic formats)? If so, which? What percentage would you expect to pay for these options on top of the one edition price?***

- "Yes. We would like one price for electronic, spin offs, all editions and formats. We have deals for all editions already. We would expect to pay less than 10% for new electronic products (we couldn't afford more as it wouldn't be commercially viable otherwise). Electronic products are always linked to a book (we don't currently do stand-alone)."
- "We don't need bundled rights."
- "We've started to ask for bundled rights which include print and electronic. Some have 'all editions' which includes hardback and paperback or includes foundation level. We don't expect to pay any more for this."
- "Yes. For print and electronic we pay 10% extra (because, in common with other educational publishers, our electronic products are free to teachers). All editions are cleared on a combined print run and charged at approximately 30% extra."
- "Bundled. We have the 'all editions' clause but not the others. 'All editions' covers reprints with a few changes. We don't pay an extra percentage for this (it's included in the fees negotiated). Territories are a more important basis for charging than formats etc."
- "All editions. This is costed into price with our preferred suppliers so we're not aware of the percentage but would expect it to be around 50%."
- "We clear for all editions (i.e. both hardback and paperback) and are usually charged 50% on top of the standard price. We would prefer some standardisation. We can't base our fees on print runs as we are never told when a book reprints and agencies almost never query this."
- "All print versions (this includes, for instance, making small cultural changes for a specific market); electronic and print; we may ask for both hardback and paperback rights. We would expect to pay between 20% and 50% on top of the one edition price."
- "Yes, we're beginning to need more in this way (all editions, all formats, bind ups etc.) We would expect to pay an additional percentage of between 10% and 50% for each territory cleared additionally. Spin offs (for example, a DIY book we produced was later sold as smaller, separate titles relating to different areas of DIY). We cleared paperback rights for one of our books approximately a year after the initial rights, for which we were charged 50% of the original fee."
- "All editions, to include one or two updates (changes of less than 10% in the same book). A re-use might include a 50% surcharge for a new edition."

***How important to you are price, strength of image, ease of delivery and your relationship with the supplier when making decisions about licensing images (please put in order)?***

- "Strength of image; price; relationship with the supplier; ease of delivery."
- "Strength of image; price; ease of delivery; relationship with the supplier."
- "Price; strength of image; ease of delivery; relationship with the supplier."
- "Price; relationship with the supplier; strength of image and ease of delivery (equal)."
- "Price; strength of image; relationship with the supplier; ease of delivery."

- "Strength of image; price; ease of delivery; relationship with the supplier."
- "Strength of image; price; ease of delivery; relationship with the supplier."
- "Price and strength of image (equal); ease of delivery; relationship with the supplier."
- "Strength of image; ease of delivery; price; relationship with the supplier."
- "Strength of image; price; relationship with the supplier; ease of delivery."

## **BOOK PUBLISHING, U.S.**

***Do you have in-house picture researchers, or is this covered by other in-house staff (e.g. editorial, design) or by freelancers?***

- "All freelance. Editors, designers and authors do a small amount of research to suggest appropriate images."
- "We have in-house designers and freelancers."

***Within your company have there been changes in the last two years in the way you buy images?***

- "There has been a change from analogue to digital; very few transparencies are now used. Entire books are now made up from digital images."
- "We create more agreements to cover the use of electronic products. We have third party licensing partners (e.g. a newspaper who takes our travel guide content) who need to include the same images so an agreement needs to cover that usage."

***Has the picture budget for a typical book increased, decreased or stayed the same over the last five years?***

- "Stayed the same. We use approximately 110,000 images per year."
- "Decreased."

***Has the average price paid per picture changed in the last two years? If so, how?***

- "The price has dropped. Either vendors have offered to drop their prices or a reduction has been part of a negotiated deal."
- "Decreased. We want package and bulk usage deals."

***Generally speaking, do you buy from a range of agencies or from preferred suppliers?***

- "We have preferred vendors who are used first of all."
- "We have 21 agreements with picture libraries, of which 8-10 are preferred suppliers."

***Do you go to anyone outside of your preferred-supplier list?***

- "We approach specialised agencies if the specification can't be fulfilled by stock libraries."
- "Yes. We like picture rights to be assigned to us."

***Approximately how many sources do you use?***

- "We have approximately 18,000 sources contributing to us. 120 preferred vendors are on the list; these are a mixture of agencies and individual photographers."
- "We use 13 stock agencies outside our preferred supplier list and approximately 14 photographers. We have recently started commissioning new pictures (this is a new trend)."

***In your view, who has the greater influence on prices: clients or picture libraries?***

- "The client."
- "Half client and half picture library – it's mutual."

***How would you describe your experience of buying images from picture libraries?***

- "Straightforward, mostly because of preferred vendor agreements. We regard deals as 'handshake' (i.e. they're open-ended; no end date is included in the contract as they're until further written notice). Deals are collaborative and rely on trust, integrity and personal (as opposed to corporate) negotiation."
- "OK. We have only recently started to expand the number of libraries we work with."

***How can picture libraries improve the way they work and the services they provide to you?***

- "Picture libraries need to standardise their metadata. Source and caption information should be embedded in the image and passed along to the client. They also need to be clear about copyright (e.g. if film stills are copyright of the film company). Film companies are now licensing their own images so stock libraries may not be able to do so."
- "We'd like greater accessibility in downloading high-resolution images, along with more accurate caption information – especially the date and location."

***Which of the following picture licensing models do you regularly use: Rights Managed, Royalty Free, microstock, Rights Ready and subscription?***

- "75% Rights Managed, 25% Royalty Free. A subscription model is used occasionally (this is a new departure for us)."
- "Mostly RM as it offers more flexibility with regard to agreements. We do use a small amount of RF, however."

***Has the total amount your company spends on images changed in the last two to five years, and has there been a shift from Rights Managed to Royalty Free or other models?***

- "Expenditure has increased by about 25% because the number of images used in each book has increased. We are using more RF because the quality and the scope has improved."
- "Expenditure has gone up overall because we are a global company. We use a small amount of RF; maybe 5% of our total budget."

***Do you prefer a flat-fee structure or a broken down granular one?***

- "Granular. We have a base price for interiors, covers and chapter openers."
- "Granular. We have different print runs so need different fees."



***What are the typical rights territories you buy for (e.g. UK, English language world, world rights all languages) and have these changed in recent years?***

- "No change; still North American or world English language with a provision allowing for translation, though this seldom happens in the higher education market."
- "In the past we've asked for world English language; we are now moving to seek world all languages."

***Do you need separate fees for electronic stand-alone projects?***

- "Yes. We produce DVDs and website educational products."
- "No. Electronic projects are part of books."

***Do you need 'bundled' rights (such as all editions, all formats and editions, all print and electronic formats)? If so, which? What percentage would you expect to pay for these options on top of the one edition price?***

- "All inclusive bundled rights need to include print, DVD, website and translation. The percentage varies (approximately 50% or less). Amounts vary depending on whether the additional rights are cleared on first publication or subsequently. Preferred suppliers have to agree to our terms or they aren't included on our list."
- "Yes. We need all print and electronic formats. A percentage increase doesn't apply as we negotiate one price."

***How important to you are price, strength of image, ease of delivery and your relationship with the supplier when making decisions about licensing images (please put in order)?***

- "Strength of image; price and relationship with supplier (equal); ease of delivery."
- "Strength of image; price; ease of delivery; relationship with supplier."



## MAGAZINE PUBLISHING

***Do you have in-house picture researchers, or is this covered by other in-house staff (e.g. editorial, design) or by freelancers?***

- "One in-house picture researcher; no other in-house staff members source images."
- "One in-house picture researcher. We use freelancers for half the year."
- "Both in-house picture researchers and freelancers."
- "In-house picture researchers and picture editors."
- The other two respondents both indicated that their research is done in-house."

***Within your company have there been changes in the last two years in the way you buy images?***

- "Yes. We use more subscription services."
- "No."
- "Not as recently as a two year period; the major change has been from analogue to digital over several years."
- "Yes. We use more microstock images."
- "We only use digital images now."
- "Yes. We use more free/cheap Royalty Free sources than we used to."

***Has the picture budget for a typical magazine increased, decreased or stayed the same over the last five years?***

- "Budgets have decreased slightly, mostly because of the way we work; formerly there were no picture editors and we didn't have good deals (which we do now)."
- "An inflationary increase. There is pressure to reduce costs (e.g. if one image is particularly expensive but essential we would drop other pictures to maintain the overall budget)."
- The other four respondents all indicated that their budgets have remained the same.

***Has the average price paid per picture changed in the last two years? If so, how?***

- "We have a good deal with one agency in particular. The price of stock pictures has decreased but celebrity picture prices have remained the same. Overall our prices have decreased because we have deals with agencies."
- "It hasn't changed."
- "We have agreements with some picture libraries which charge reasonable rates. Fees charged by museums and art galleries have increased a great deal, but picture libraries haven't put up their costs."
- The other three respondents all indicated that the average price they pay has fallen (with one pointing out that this is due to increased competition).

***Generally speaking, do you buy from a range of agencies or from preferred suppliers?***

- "Preferred suppliers with whom we have deals (but we aren't locked into any of them)."
- "We buy from a range of agencies."
- "We try not to spread the net too wide because of time spent in administration. We go to specific agencies, including specialist ones, and also rare and unusual sources."

- "From a core range of agencies depending on content required each month."
- The other two respondents simply said they use a range of agencies.

***Do you go to anyone outside of your preferred-supplier list?***

- "Yes. We go to preferred suppliers first of all and then approach other agencies if the request can't be fulfilled."
- The other five respondents simply answered 'yes' to this question.

***Approximately how many sources do you use?***

- "Around 20 to 25."
- "Approximately 30 to 50."
- "50 to 70 per year."
- "60 to 70 altogether, although we only really use 10 on a regular basis."
- "50 to 60."
- "20 to 25 plus illustrators."

***In your view, who has the greater influence on prices: clients or picture libraries?***

- "Clients, because there is a greater choice of agencies to use nowadays."
- "Clients. There is more competition now because many people have digital cameras and there is less negotiation because most agencies have deals in place."
- "As a small user it feels like picture libraries, but we expect the bigger users have enormous impact."
- "It's a compromise; we benefit from company-wide group deals."
- "Clients. Agencies think that clients want cheaper deals so they approach their clients intending to offer them."
- "Depending on size, both."

***How would you describe your experience of buying images from picture libraries?***

- "Very easy. Things have improved in the last four to five years as more and more agencies provide digital images which are available on the Internet. We have control over the searches which we do ourselves; we make the selection rather than waiting for agencies to send transparencies. The whole process is a lot easier."
- "The system works very well. We like the websites with fewer buttons and fewer windows. Some agencies send a constant flow of current images to our ftp sites; they arrive within an hour of being taken, captioned and keyworded."
- "We have good relationships, but picture buying isn't as much fun as it used to be. We don't especially enjoy working online and still go to tried and tested sources whose in-house systems are better than the external ones; it's quicker and easier to use. The fact that there is more emphasis on delivery and cost than the content of the picture is irritating, though there are advantages to working online."
- "Good. The picture industry is healthy and there are lots of options for the picture buyer."
- "Very good. The websites are good, people are always at the end of a phone and new pictures are being added all the time."
- "It's getting easier all the time."

***How can picture libraries improve the way they work and the services they provide to you?***

- "There are no major problems because we use agencies we get on with. Some are stuck in the past with regard to pricing: they still think they are in a position to drive a hard bargain for their images and don't take into account the fact that several other libraries have similar pictures."
- "Everything is fine. Lower prices would be good."
- "It's difficult to download high-res without providing detailed information about size etc. which is time consuming. We like to use high-res for positionals so we might not know the details when they are downloaded. The information provided on websites has a strange balance and concentrates more on technical information and the rights which are available, they need more factual captions. For instance, when researching for an article on the Yom Kippur war we found it difficult to source images which were correctly dated; we were aiming to use pictures which documented the war day-by-day, but many of them just had the month or the year as part of the caption. One library has a default dating system which is very misleading. Too much is guessed at and presented as fact. In order to see the caption with one library you have to hover over the image with your mouse, which is time consuming. We would rather that libraries made the caption visible and hid the details regarding dpi and rights available. We work with magazine account executives from most libraries but in fact our needs are closer to book publishers because our magazine uses predominantly archive material."
- "It can be problematic when agencies chase unpaid invoices; they don't provide enough details and it can be time consuming to track which issue the images were used in."
- "We are happy, have good deals and use the same agencies regularly."
- "We would like to be able to use a direct hi-res download to our desktops without having to order them, as we have to fill in too many details each time."

***Which of the following picture licensing models do you regularly use: Rights Managed, Royalty Free, microstock, Rights Ready and subscription?***

- "Subscription, Rights Managed and Royalty Free."
- "Subscription and Rights Managed."
- "Rights Managed only."
- "80% to 90% is Rights Managed; the rest is microstock."
- "Rights Managed and Royalty Free evenly divided, subscription."
- "Rights managed."

***Has the total amount your company spends on images changed in the last two to five years, and has there been a shift from Rights Managed to Royalty Free or other models?***

- "This has decreased slightly because of the deals we have. There hasn't been a shift away from Rights Managed because the image itself is the most important factor in our decision making."
- "The amount hasn't changed and there hasn't been a shift to other models from Rights Managed."
- "Only a reasonably small inflationary change. We don't use Royalty Free images."
- "It has decreased. There hasn't been a major shift to microstock but such usage is increasing."
- "We spend more because we need more exclusive pictures and commission shoots. There has been a shift to Royalty Free."
- "It has increased through new magazine launches, but the majority use Rights Managed."

***Do you prefer a flat-fee structure or a broken down granular one?***

- "We use both; different agencies offer different models depending on how many images are used. We pay more for covers and the prices are part of the deal."
- "Both are OK."
- "Granular."
- "A granular one, based on the size of the image."
- "Both are fine."
- "It depends on the magazine style but we would say granular. We use lots of  $\frac{1}{16}$  to  $\frac{1}{4}$  pages so could end up paying more for a  $\frac{1}{16}$  in a flat fee than a granular one."

***What factors affect the price you are charged (e.g. circulation, position on page)?***

- "Both circulation and the position on the page. Images are sometimes cheaper if the magazine has a smaller circulation. The page positions are either cover or inside use, we don't have any others."
- "Size and exclusivity of the picture being used."
- "The rights required and the size; the fact that we are an academic magazine makes a difference to the fees we are charged."
- "Fees are based on the circulation, distribution and whether the picture is inside or on the cover."
- "Size. We are charged for front covers and double page spreads."
- "Territories, circulation and inside or cover use."

***Are you offered volume discounts?***

- "They are built into the deal."
- "Yes."
- "We have been offered them but don't buy in that way as we can't guarantee volume use as we never know which articles will be included in the magazine and which pictures would be needed."
- "We have done one montage for inside use which was individually negotiated. We haven't done any montage covers."
- "We have been."
- The other two respondents simply answered 'no' to this question.

***How is use on a montage cover charged?***

- "By the size of the image."
- "Size and double the inside rate."
- "As an  $\frac{1}{8}$  page from £70 to £85."
- The other three respondents said that they don't use montages.

***Do you produce an online version of the magazine? If so, what kind of fee structure is used for online re-use?***

- "No. Sample pages are reproduced on our site for advertising; the magazine itself isn't online."
- "We only have archive magazine text on the website which doesn't include photos. We have discussed including images in future and agency fee structures were variable, with most charging a percentage of the print fee (50% was average). Some sources were imposing tricky or expensive conditions which would in turn limit choice for the print magazine."
- "Not at present."
- Two of the other three respondents answered 'no' to this question, whilst the third didn't know.

***Do you commission pictures from picture libraries? If so, do you retain the rights?***

- "No. We shoot all our own pictures."
- "No."
- "We occasionally ask for fine art images to be shot from books. If we do commission libraries to take a particular shot, the library retains the rights and can re-use the picture."
- "No. We use our own photographers."
- "We do commission but compromise on rights; some agencies put the pictures straight onto their website, whilst others are willing to wait until the pictures have been published in our magazine first."
- The other four respondents answered 'no' to this question, with two pointing out that when they need specialist images they shoot them themselves.

***What changes would you like to see in the way rights are charged?***

- "We are quite happy with the way things are. If we weren't we'd go to another agency."
- "None – everything's okay."
- "It's okay in general, though museums and art galleries have a convoluted rights structure with strange nuances which don't really work. We don't like the fact that rights information takes up space on agency sites and would rather see detailed caption information instead."
- "None. We wouldn't want to see a trend towards using microstock images to dominate the industry because the picture quality will suffer. Rights Managed images from agencies are professional and of a high resolution."
- "We are happy with everything."
- "To encourage all libraries to have thumbnail and 1/16 page prices rather than just up to 1/4."

***How important to you are price, strength of image, ease of delivery and your relationship with the supplier when making decisions about licensing images (please put in order)?***

- "Strength of image and price (equal); relationship with the supplier; ease of delivery."
- "Strength of image; price; ease of delivery; relationship with the supplier."
- "All are crucial, but if pushed we would say strength of image; price; ease of delivery and relationship with supplier (equal)."
- "Strength of image; price; ease of delivery; relationship with the supplier."
- "Strength of image; price; ease of delivery; relationship with the supplier."
- "Strength of image; price; ease of delivery; relationship with the supplier."

***What changes have you seen in pricing structures for magazines over the last two years?***

- "Agencies are now willing to offer flat fees. Rates for stock pictures are going down in any case and in some cases the price has halved. The Royalty Free model has driven down the price and the images themselves have improved, with some agencies shooting specific images for specific markets."
- "More deals are being negotiated and prices are dropping."
- "No changes."
- "There has been a reduction in fees charged and an increase in agencies offering a flat fee rate."
- "Prices have come down, though not drastically, because there is more competition."
- "More flat fees are on offer and pricing has become more competitive for general stock images."

***Do you have any other comments about pricing or rights for the magazine sector that you would like to bring to BAPLA's attention?***

- "Some agencies want to charge the same fee for each of the magazines within our group and regard the company as one entity. Some of the stock and celebrity agencies aren't interested in working with some of our magazines which have a smaller circulation and who pay less for pictures. Each magazine has its own deal; there isn't a company wide deal."
- The other five respondents all indicated that they had no further comments to make.

## **NEWSPAPER PUBLISHING**

***Do you have in-house picture researchers, or is this covered by other in-house staff (e.g. editorial, design) or by freelancers?***

- "We have two in-house picture researchers every day."
- "Both in-house and freelance."
- "One in-house picture researcher."

***Within your company have there been changes in the last two years in the way you buy images?***

- "Yes. We're looking for better deals on image buying – with cheaper prices of course!"
- "We don't spend as much as we used to."
- "No."

***Has your typical picture budget increased, decreased or stayed the same over the last five years?***

- "Stayed the same"
- "It has increased. We are using more and larger pictures."
- The third respondent did not provide an answer to this question.

***Has the average price paid per picture changed in the last two years? If so, how?***

- "Yes. They have gone down with our key suppliers."
- "It's gone down and there is more aggressive negotiation nowadays."
- "No."

***Generally speaking, do you buy from a range of agencies or from preferred suppliers?***

- "Usually preferred suppliers who are better on price."
- The other two respondents said that they use a range of suppliers.

***Do you ever go to anyone outside of your preferred supplier list?***

- "Yes, for specialist issues."
- The other two respondents simply answered 'yes' to this question.

***Approximately how many sources do you use?***

- "Between 10 and 20."
- "Unlimited."
- "Approximately 50 in one year."

***In your view, who has the greater influence on prices: clients or picture libraries?***

- "Clients."
- "It's equal because it's open to negotiation. We aim to pay a fair price; if someone has risked their life to take a picture they would pay more than if it had been taken outside a nightclub."
- "Picture libraries."

***How would you describe your experience of buying images from picture libraries?***

- "Generally good."
- "Very good, there are no problems. We aim to treat people from picture libraries fairly."
- "It is fine."

***How can picture libraries improve the way they work and the services they provide to you?***

- "By talking to clients about the style of their stock images and to have better model release information within their IPTC captions."
- "No improvements are needed; things have come on a lot with good technology."
- "Nothing – everything is ok."

***Which of the following picture licensing models do you regularly use: Rights Managed, Royalty Free, microstock, Rights Ready and subscription?***

- "Rights Managed, Royalty Free, subscription."
- "Our sports section uses subscription, otherwise we only use Rights Managed."
- "It's mainly Rights Managed, but occasionally we also use Royalty Free."

***Has the total amount your company spends on images changed in the last two to five years, and has there been a shift from Rights Managed to Royalty Free or other models?***

- "We have a deal with several big agencies that means we don't pay for Royalty Free images in the usual way; we treat them the same way as we do Rights Managed."
- "Expenditure has gone down. There has been no shift to Royalty Free."
- "We are spending more. There has been no shift towards Rights Managed images."

***Do you prefer a flat-fee structure or a broken down granular one?***

- "A granular one suits us, dependent on image size."
- "We like a flat fee for thumbnail pictures but a granular one for the other different sizes."
- "We prefer a granular one."



***Are your prices broken down by square inch, page size, column inch or none of these (i.e. a flat-fee structure applies)?***

- "Our prices are generally broken down by the square inch."
- "Square inch and page size."
- "Prices are negotiated by page size."

***Do you accept different fee structures for different (non-news) sections of the newspaper (e.g. supplements, magazines, sports)?***

- "Yes."
- "Each section of our newspaper has its own picture desk so they don't know about each others' fees."
- "This doesn't apply to us."

***Do you normally pay more for newspaper front covers than for section front covers?***

- "A little more, but not much."
- "No."
- "Yes. We have negotiated a set of rates for our front cover usages."

***Do you pay additional fees for online versions of newspapers? If so, how are they calculated?***

- "No. The online edition is just another edition so if an image appears in the printed version we will use it free of charge online."
- "If the picture is used both in a newspaper and online it's regarded as one publication and we don't pay extra fees."
- "We do pay additional fees which were separately negotiated; we can't remember how this was calculated."

***Do you need stand-alone web use rates?***

- "Yes, although they are being refined."
- "Yes."
- "No."

***What changes would you like to see in the way rights are charged?***

- "We'd like to see them being made more realistic for web use."
- "None, except we would like agencies to quote the date and page number in any rights queries."
- "None. Everything is working fine the way it is."

***How important to you are price, strength of image, ease of delivery and your relationship with the supplier when making decisions about licensing images (please put in order?)***

- "Strength of image; all the other factors are rated equally behind this."
- "Strength of image; ease of delivery; price; relationship with the supplier."
- "Strength of image; price; ease of delivery; relationship with the supplier."

***What changes have you seen in pricing structures for newspapers in the last two years?***

- "We've noticed a general trend to consolidate deals with larger suppliers at more competitive rates."
- "This isn't an issue with us."
- "None."

***Do you have any other comments about pricing or rights for the newspaper sector that you would like to bring to BAPLA's attention?***

- All three respondents answered 'no' to this question.

## TELEVISION

***Do you have in-house picture researchers, or is this covered by other in-house staff (e.g. editorial, design) or by freelancers?***

- "We have two in-house researchers and freelancers in addition to this."

***Within your company have there been changes in the last two years in the way you buy images?***

- "We are currently working on a history programme and use more stills than footage; this has changed from previous programmes."

***Has your typical picture budget increased, decreased or stayed the same over the last five years?***

- "Decreased."

***Has the average price paid per picture changed in the last two years? If so, how?***

- "Stayed the same. We have deals for world all media, so no price increases."

***Generally speaking, do you buy from a range of agencies or from preferred suppliers?***

- "We have preferred suppliers, but we use others too."

***Do you go to anyone outside of your preferred-supplier list?***

- "Yes."

***Approximately how many sources do you use?***

- "Ten to 30 per series."

***In your view, who has the greater influence on prices: clients or picture libraries?***

- "It's 50/50; there is more leeway for negotiating bulk usage."

***How would you describe your experience of buying images from picture libraries?***

- "Very helpful, quick and efficient."

***How can picture libraries improve the way they work and the services they provide to you?***

- "We are very happy with the way things are and like the fact that more images are online. The time factor is important to us."

***Which of the following picture licensing models do you regularly use: Rights Managed, Royalty Free, microstock, Rights Ready and subscription?***

- "Rights Managed; we like having a person to talk to."

***Has the total amount your company spends on images changed in the last two to five years, and has there been a shift from Rights Managed to Royalty Free or other models?***

- "Our archive budget has been cut. The budget for each programme may be further reduced if the filming budget overruns. No change from Rights Managed to Royalty Free."

***Do you prefer a flat-fee structure or a broken down granular one?***

- "We need a granular structure to include world all media 10 years and BBC Public Services (e.g. iPlayer)."

***What changes would you like to see in the way rights are charged?***

- "Smaller libraries aren't familiar with the fact we need Internet & BBC Public Services rights; new technology is being introduced all the time and rights need to be flexible accordingly."

***How important to you are price, strength of image, ease of delivery and your relationship with the supplier when making decisions about licensing images (please put in order)?***

- "Strength of image; ease of delivery; price; relationship with the supplier."

***Have there been any changes in the last two years in the rights bundles you typically license? What rights do you most commonly buy?***

- "Things have changed in the last three years rather than two. Rights need to include BBC Public Services and world all media rights need to include all types of TV media."

***Do you normally buy rights for terrestrial and non-terrestrial TV, and also other delivery methods (e.g. online/DVD)? Has this changed in the last two years?***

- "Yes. This isn't a term which is used nowadays and it changed more than two years ago. The phrase we now use is 'all forms of TV media'."

***Are you charged a fee for second use of an image in the same programme? If so, how is this calculated?***

- "Sometimes, but not often. The fee would be 50%."

***Are you charged more for an image in a programme title sequence? If so, how is this calculated?***

- "This doesn't happen much nowadays; agencies used to charge the full rate with no discount."

***What percentage of the original fee are you charged for use in a repeat programme?***

- "The original fee gives us unlimited transmissions."

***Do you have any other comments about pricing or rights for the newspaper sector that you would like to bring to BAPLA's attention?***

- "Some libraries still charge by the length of time the image is shown on screen. This is more difficult to administer and we'd prefer a fee which doesn't depend on transmission time."

## MERCHANDISING

***Do you have in-house picture researchers, or is this covered by other in-house staff (e.g. editorial, design) or by freelancers?***

- "We have one in-house picture researcher. Some of our designers do their own picture research."

***Within your company have there been changes in the last two years in the way you buy images?***

- "We buy fewer non-exclusive images because we manipulate the pictures."

***Has your typical picture budget increased, decreased or stayed the same over the last five years?***

- "Our budgets have increased but we are being offered better prices. There is more competition between agencies; sometimes several of them have the same image. Since the advent of digital images there is a larger choice and more competitive prices."

***Has the average price paid per picture changed in the last two years? If so, how?***

- "Libraries are more competitive now which means lower fees."

***Generally speaking, do you buy from a range of agencies or from preferred suppliers?***

- "Preferred suppliers. We like having one person to work with from each agency."

***Do you go to anyone outside of your preferred-supplier list?***

- "Only if we are struggling to find the right image."

***Approximately how many sources do you use?***

- "Between six and seven."

***In your view, who has the greater influence on prices: clients or picture libraries?***

- "The clients."

***How would you describe your experience of buying images from picture libraries?***

- "Very good."

***How can picture libraries improve the way they work and the services they provide to you?***

- "Some websites are better than others. We'd like to see a more streamlined approach to keywording so that we don't have to look through irrelevant images."

***Which of the following picture licensing models do you regularly use: Rights Managed, Royalty Free, microstock, Rights Ready and subscription?***

- "Royalty Free and Rights Managed. RM are licensed for a three year period and then reviewed."

***Has the total amount your company spends on images changed in the last two to five years, and has there been a shift from Rights Managed to Royalty Free or other models?***

- "Yes. Expenditure has increased and we use more RF."

***Do you prefer a flat-fee structure or a broken down granular one?***

- "We prefer flat fees with unlimited print runs. Some agencies would like to charge different fees for print runs above and below 10,000, but we always ask for unlimited print runs."

***Do you ever work on a royalty basis rather than an upfront fee?***

- "Not any more."

***Do you generally need any degree of exclusive rights to images you license?***

- "No – it's too expensive."

***What changes would you like to see in the way rights are charged?***

- "None – everything is fine as it is."

***How important to you are price, strength of image, ease of delivery and your relationship with the supplier when making decisions about licensing images (please put in order)?***

- "Strength of image; price; relationship with the supplier; ease of delivery."

***What changes have you see in the pricing structures for cards and calendars in the last two years?***

- "Some agencies have special offers, offering a reduced fee for a certain length of time if the client uses a certain number of images. If they do, the special deal may be extended."

***Do you have any other comments about pricing or rights for the card and calendar sector that you would like to bring to BAPLA's attention?***

- "In the past, when we bought exclusive rights to images there would be occasions when we found they had also been used by another client."



## ADVERTISING

***Do you have in-house art buyers, or is this covered by other in-house staff (e.g. editorial, design) or by freelancers?***

- "An in-house art buyer and freelancers."

***Within your company have there been changes in the last two years in the way you buy images?***

- "No."

***Has your typical picture budget increased, decreased or stayed the same over the last five years?***

- "Decreased."

***Has the average price paid per picture changed in the last two years? If so, how?***

- "Yes. Much better deals, fees are a lot less and some agencies have brought prices down."

***Generally speaking, do you buy from a range of agencies or from preferred suppliers?***

- "Both a range of agencies and preferred suppliers."

***Do you go to anyone outside of your preferred-supplier list?***

- "Yes."

***Approximately how many sources do you use?***

- "15 to 20."

***In your view, who has the greater influence on prices: clients or picture libraries?***

- "The clients."

***How would you describe your experience of buying images from picture libraries?***

- "Good."

***How can picture libraries improve the way they work and the services they provide to you?***

- "We'd ideally like to be able to download high-res images ourselves."

***Which of the following picture licensing models do you regularly use: Rights Managed, Royalty Free, microstock, Rights Ready and subscription?***

- "All of them."

***Has the total amount your company spends on images changed in the last two to five years, and has there been a shift from Rights Managed to Royalty Free or other models?***

- "Yes. We're spending more and there's been a massive shift from RM to RF."

***What rights packages are you most commonly asked to license?***

- All: press, posters, direct mail, online, point of sale. Two libraries in particular licence all media packs.

***What factors affect the price you are charged?***

- "Size, multiplied by the number of times the image is shown or used."

***Have there been significant changes in the types of advertising use you license in the last few years? Is so, please describe.***

- "We always ask for the whole package, so in that respect things have remained the same."

***Do you commission pictures from picture libraries?***

- "No."

***What changes would you like to see in the way rights are charged?***

- "None."

***How important to you are price, strength of image, ease of delivery and your relationship with the supplier when making decisions about licensing images (please put in order)?***

- "Strength of image; price; relationship to the supplier; ease of delivery."

***Do you have any other comments about pricing or rights for the magazine sector that you would like to bring to BAPLA's attention?***

- "We'd love to see the introduction of a dictionary of keywords and to see it used throughout the industry so that such a use became standard. We find that using the same keyword can bring up very different images on different sites."