

editorial *photographers*

A DIGITAL MANIFESTO

March 17, 2004

Preamble

We have come to a great divide, a fork in the river. Now we face a decision that will affect both the future of our individual photographic careers and the vitality of our entire industry. We must choose not only which course to sail, we must also choose whose hand will be on the tiller, guiding our craft. And we must prepare for the journey before us.

The divide is digital, and we are arriving at it in growing numbers and at increasing speed. The future of editorial photography appears to follow this course, so most of us are acquiring the skills and equipment to succeed in this evolving medium. But who will guide our craft down this river?

While we may be the captains of our own crafts, we must acknowledge that we have given far too much control in guiding our business course to our clients. How much can we charge for a day's work, how much for the use of our cars, how much for a day of travel and our meals on the road? Our clients have largely dictated these monies, and we have gone along.

That is how it has been for decades. And for decades our remuneration has hardly changed. In 1984 an editorial photographer might have been able to show a decent profit when the day rate was \$350 and all his Nikons and Normans cost \$7,000. The issues of how those fees were dictated, and who was doing the dictating, was not perceived as urgent.

It is urgent now.

In twenty years the creative fee at most magazines has increased approximately 14%. Consider two important facts: during that same period inflation has totaled 80%; and, during that same period our average equipment overhead has risen 1000%. One thousand percent!

When corrected for the rate of inflation, our 1984 creative fee of \$350 would now have to equal \$630 just to keep us even. Instead, we are receiving just \$400 from most magazines, a net loss of \$230 per day in relative income. This decline in remuneration is dramatically compounded by our 10-fold increase in equipment costs.

We can no longer afford to allow our clients to determine our course.

As we begin charting the waters of digital photography, many of our clients are attempting to dictate the amount we charge for digital services. Some magazines claim a limit of \$150 for digital services; some argue that they will pay nothing. The fact is that it is not our clients' role to dictate our pricing; it is our responsibility to determine a pricing structure that will allow us to pay for our equipment and training, compensate us for the added work, and allow us to show a healthy profit to grow our businesses.

As we face the huge financial investment of going digital, a cost that we will face not once, but approximately every 3 years to stay current, we must charge enough to cover those sizeable costs. We must charge enough to be profitable now and into the future.

Our relationships with our clients are symbiotic. We need each other. We must consider this in determining our fee structure and find a mutually acceptable number. Despite some clients' apparent disregard for the costs of our craft, we are better served by developing a collaborative relationship rather than an adversarial one.

The individual editors with whom we work often are in the unenviable position of forcing policies set by others far removed from editorial processes. We should make every effort to educate and inform these colleagues, while being firm regarding our need for additional compensation for these expensive digital services. The more united we photographers are in approaching this matter, particularly in this evolving territory of digital charges, the fairer that compensation can be.

While we may be unable to collectively establish pricing, we can share our individually established pricing strategies and adopt methods that facilitate our shared goals of becoming more profitable, more independent, and better able to meet our creative aspirations. We must share a unity of purpose if we are to succeed in improving our lot.

Strategies

While we are incurring significant costs to be digitally capable, acquiring the requisite technical knowledge to enhance and manage our images, and facing the added time burdens of digital post-production, many editorial clients are adopting the attitude that our invoices should be lower because, after all, there is no film and no processing. Some clients further argue that they will not pay special digital expenses because they do not pay for photographers' equipment. While that claim is suspect in itself, that is not the point of digital charges, they are in large measure production expenses.

Digital charges, just like mileage reimbursements or film & processing charges, reflect production costs. Clients aren't paying for our cars, but rather for our costs in using our cars on their behalf. Likewise, when clients are billed for film & processing, they are paying for the costs of producing their specific job. It is not only fair; it is financially necessary that clients pay for the specific production costs related to our assignment work.

We must realize that our digital equipment is expensive and has a short lifespan in terms of being current and competitive. A basic digital set of two professional SLRs, several lenses, dedicated flashes, laptop, card reader, memory cards, desktop computer, software, monitor, printer, and CD/DVD burner, will cost approximately \$20,000 to \$60,000. That equipment, in order to remain technically current and keep you competitive, will need to be replaced every 3-5 years, some much sooner. Comparatively, a basic film system for editorial work would likely cost under \$20,000 and would likely remain current and functional for 10 years or longer.

So here is the comparison:

\$20,000/10 years = \$2,000/year average cost if you're shooting film

\$40,000/5 years = \$8,000/year average cost for digital

While we're investing \$20-60,000, we are also faced with possibly losing the significant revenue stream we were receiving from our film mark-up. This has been particularly important while our creative fees (née day rates) have languished unchanged for more than two decades. For even a small-timer in terms of mark-ups, that amounted to an average of \$5000.00 per year in cash flow, which has helped offset rapidly rising overhead expenses.

Faced with greater expenses and falling revenues, we must return balance to this equation if we are to survive.

Often how we label a production charge determines if the accounts payable person flags it or pays it. For example, just utilizing the term "digital production charge" and placing it below the line amongst expenses may be more successful than labeling the same amount as a "digital service fee."

Some clients may appear unwilling to budge on the issue of digital charges. However, we can often invoice an equipment charge as a production expense in such cases. This has long been the billing method used by film and video freelancers, and it is a paradigm we must consider.

We have two basic strategies, both of which can be combined or modified to suit our own preferences:

The Prix-Fixe approach (better known in the USA as "The Full Meal Deal")

Utilizing this strategy, the photographer rolls many additional digital charges into one line item, often called a “Digital Production Charge.” This may include, at the discretion of the photographer and the acquiescence of the client, equipment charges, digital capture charges, and even CD’s, DVD’s or FTP uploading. With such a broad approach, one would expect a higher “digital production charge” than one levied by a photographer who itemized the individual charges (e.g. equipment rental, per image digital capture charge, media burning, etc.)

Please note, however, that extensive post-production is intensive and time-consuming. For that reason, consider carefully any inclusion of such services within a single line item on your invoice. Please note that labs and other editorial photographers frequently charge in the range of \$100-\$200/hour for such services.

The à la Carte approach (or “Would you like fries with that?”)

Some photographers and clients will prefer a clearly itemized set of charges. This might allow the most frugal clients with the simplest of needs to feel fairly served by only getting what they are paying for, while allowing the photographer fair compensation. For example, one might not charge an overall digital production charge, but itemize your costs utilizing such job-specific charges as digital capture, equipment charges, and media production time and costs.

Following such a strategy, charges may include (but are not limited to) some combination of the following:

- Your usual creative fee
- An overall digital production charge
- A per unit digital capture charge
- Equipment rental (camera, computer, card reader, etc)
- Image conversion charge
- Retouching (Photoshopping)
- CD/DVD/FTP production charge
- Contact sheets (inkjet, etc)
- Reference prints (inkjet, etc)

Survey Results

Following are some of the aforementioned categories and a range of charges, followed by the averages from a 2004 photographers survey. As mentioned previously, not all categories are charged by every photographer. The objective, however, is the same: fair compensation for the added services and equipment we provide when shooting digitally.

It is worth noting that these added services reduce our clients’ own post-production costs: no need for scanning technicians or lab techs, for example. Further, there is a growing number of “digital assistants,” who charge \$300-\$400 to help photographers transfer, caption, convert and archive. We should not be expected to provide the same services at lower rates just because it is our own photography.

Having surveyed numerous photographers, a variety of methods and categories for digital services have been revealed. Here is a list some of the general costs and services for which we should be compensated:

- Production equipment (cameras, lights, etc)
- Postproduction equipment (computers, printers, card readers, scanners, monitors, burners, etc)
- Reusable media (memory cards, which will eventually need replacement)
- Consumable media (CD’s, DVD’s, prints, digital “Polaroids,” inks.)
- RAW conversion, digital downloading and basic file prep
- Postproduction refinements and enhancements (Photoshopping)
- Contact sheets and web galleries
- CD, DVD and FTP delivery
- Archiving

Please carefully note that the following survey results are for **editorial work in 2004**. Commercial, corporate and advertising charges are usually considerably higher.

Digital Production Charge

A basic charge that helps cover the added expense of the equipment and cards. This flat charge usually is in lieu of a per-image digital capture charge (see next item). Photographers at the low end of the Digital Production Charge spectrum occasionally include separate equipment charges, CD burn charges, etc.
\$200 - \$850 per day

Digital Capture

This is a charge for every picture shot digitally. It equates to the cost of film and processing, a production charge many editorial clients understand and are comfortable with. As mentioned, some photographers in our survey use this line item in lieu of the previous “digital production charge,” billing in the range of \$200 - \$500 for the first 50 captures and incrementally lowering the rate as the number of captures increase.

Some photographers use the following delineation when itemizing this expense:

- Fewer than 50 Captures (base minimum): \$250
- Up to 100 Captures: \$300
- Up to 200 Captures: \$400
- Up to 400 Captures: \$750
- Up to 500 Captures (base maximum per day): \$850

Image Prep

Basic downloading and conversion from the camera’s memory card to a readily accessible format, such as TIFF or JPG. It is not to be confused with more detailed post-production enhancements. The respondents who included this category often did so in lieu of a digital service fee or a digital capture charge.
\$10-\$75/image

Final File Prep

Any post production work beyond basic downloading and uploading.
\$100 - \$200/hr

CD burning

\$25 - \$35

DVD burning

\$35 - \$75

FTP uploading

\$25 - \$100

Equipment charge

\$150 - \$500/day

Of the respondents to our survey, the photographers having a low “digital production charge,” which may be at the insistence of the client, added this expense. This line item has long been a critical component of other equipment-heavy visual media freelancers, such as film video cameramen. As our own investments approach similarly stratospheric levels, we may be wise to reconsider this paradigm.

Contact sheets, prints and digital Polaroids

\$200 for Digital Polaroids

\$15-25 per contact sheet or straight reference print

Conclusion

It is clear that we are being pressured by clients who are insisting on digital while resisting paying for our added work and investment. It is also clear that if we are to survive, we must make a stand by insisting on added payment for our added services and expenses.

Our suggested pricing which follows is in **2004 dollars**. These figures need to be increased over time to reflect both inflation and rising equipment and production costs. Once again, note that these are for editorial projects.

DIGITAL PRODUCTION CHARGE: \$300-\$1000/day
CD burning: \$30 -\$50/disk
DVD burning: \$50 -\$75/disk
FTP uploading: \$75 -\$150
Digital (inkjet) contact sheets: \$20 -\$50/contact sheet
Inkjet reference prints: \$15 -30/print
Digital post-production: \$150 -\$200/hour

Let us remember, and let us remind our clients, that all these added services are for their convenience and that convenience comes with a price. Simply because we are now charging our clients for the higher production costs of digital does not make the charges less valid. Further, our efforts and investments in digital technologies decrease our clients' production costs.

We must take action now, while policies are still evolving. If we fail to assert reasonable compensation structures, we will soon find ourselves unable to afford to practice our craft. That will benefit neither ourselves, nor our clients.



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