



# COST CALCULATION INFO SHEET

The price for creating illustrations is determined by the following factors:

1. **Work fee (expenditure of time)**
2. **Usage rights fee**

## 1. Work fee:

Based on a briefing I estimate the number of hours it will take me to create the work. In this stage I try to clarify what kind of illustration the client wants (style, complexity, amount, etc.). Then I multiply this estimated number of hours with my hourly rate (105 Euros/hour gross).

For **private commissions** (birthdays, weddings, etc.), only the work fee applies – this means that the illustration can only be used privately.

## 2. Usage rights fee:

Additionally, to the work fee, there is a usage rights fee for commercial commissions. The client buys the right to use the illustration in a certain way. I use a calculation model to determine the fee after I clarify some points with the client:

- a.) Exclusive or none-exclusive rights
- b.) Region (geographical)
- c.) Time (how long)
- d.) Content (which media)
- e.) Extras (third party rights, merchandise, etc.)

„**Exclusive**“: The client has the sole right to use the illustration for their project.

„**None-exclusive** “: The client can use the illustration in a way that is defined in an agreement, however, the illustrator has the right to use it for future projects as well.

„**Region**“: The client can use the illustration regional (their own city, state), country-wide or world-wide. Nowadays, with most projects being online, most clients go for world-wide.

„**Time**“: The client can choose the time-frame they want to use the illustration (1 year, 3 years, 5 years, 10 years, unlimited)

„**Content**“: The client decided on where to use the work, for example, in print, online, in a game or unlimited.

„**Extras**“: If an interest is there to use the illustration with a third-party member or sell merchandise, this has to be clarified in a separate agreement.

## 3. Work fee + usage rights fee = price for illustration

Based on all this information, I try to create an estimate for the project.  
 The more usage rights the client desires, the higher the price on top of the work fee.  
 There is always the option to “upgrade” to more usage rights later.  
 If multiple illustrations are desired, I can offer cost reduction based on the number of illustrations.  
 If the client desires, I can write multiple cost estimates for different usage right scenarios.

Here is a simple example for two cost calculations for the same project, but different usage rights:

#### Examples A, usage rights „Light”

<b>Project description:</b>	One Illustration for magazine, three characters in image, city background – estimated hours of work: Six hours
<b>Exclusive or none-exclusive:</b>	None-exclusive
<b>Region:</b>	Country wide
<b>Time:</b>	1 year
<b>Content:</b>	Print only
<b>Extras:</b>	None
<b>Work fee:</b>	630 Euro (6x105)
<b>Usage fee:</b>	441 Euro
<b>Final estimated cost:</b>	1071 Euro

#### Examples B, usage rights „exclusive”

<b>Project description:</b>	One Illustration for magazine, three characters in image, city background – estimated hours of work: Six hours
<b>Exclusive or none-exclusive:</b>	Exclusive
<b>Region:</b>	World-wide
<b>Time:</b>	unlimited
<b>Content:</b>	Print, online, TV,
<b>Extras:</b>	None
<b>Work fee:</b>	630 Euro (6x105)
<b>Usage fee:</b>	1701 Euro
<b>Final estimated cost:</b>	2331 Euro

## 4. Royalty Model

Some projects can be paid based on a royalty model. This means that the illustrator earns an agreed upon work fee in advance, and furthermore earns based on the numbers of articles sold (this works, for example, for books, games, merchandise). Since the illustrator has to trust the client to make the calculations correctly in the future, this model is usually used with a well-known publisher.

