

## THE GRAPHIC DESIGN TRADE CUSTOMS

*These Graphic Design Trade Customs were developed by the International Design by Electronics Association, the Graphic Artists Guild and the Art Director's Club of Metropolitan Washington. They have been adopted by the graphic design industry and reflect the current laws and practices of design professionals.*

- 1. Estimate** - A preliminary projection of cost which is not intended to be binding. Estimates are based upon prevailing wages, the anticipated hours of work and cost of materials and supplies necessary to produce work in accordance with preliminary copy, style and specifications and are not binding upon the Designer unless a firm quotation has been issued.
- 2. Quotation** - A quotation is a fixed price for producing a given project. A quotation is firm unless otherwise specified. Quotations are subject to acceptance within 30 days and are based on the cost of labor and materials on the date of the quote. If changes occur in the cost of materials, labor or other costs prior to acceptance, the right is reserved to change the price quotes. Subsequent projects will be subject to price revision if required. Quotations do not include alterations or applicable sales tax unless otherwise specified.
- 3. Alterations** - Alteration charges are incurred by a Client when a change is made to approved layout, approved manuscript, mechanicals or disk produced correctly or any new work not within the original specifications.
- 4. Overtime** - Overtime is work performed by the Designer in excess of the work schedule of the project. Overtime may be charged at the Designer's prevailing rates for this service.
- 5. Copyright/Ownership** - Creative work such as sketches, illustrations, layouts, designs, icons, logos, etc. produced on paper, computer disks or any other medium, are protected under the 1976 Copyright Act. Until the designer transfers ownership rights, creative work remains the property of the designer. There can be no use of the Designer's work except upon compensation to be determined by the Designer. Purchase orders issued after the completion of creative work, claiming the Client's ownership of creative work, are not valid unless agreed upon by both parties.
- 6. Experimental Work** - Experimental or preliminary work performed at the Client's request will be charged at current rates and may not be used by the Client until the Designer has been reimbursed in full for the work performed. All experimental work performed by a Designer without authorization of the Client is not billable.
- 7. Condition Of Copy** - If original copy, disk or manuscript, furnished by the Client to the Designer differs from that which has been originally described and consequently quoted, the original quotation shall be amended or a new quotation will be issued.

*Trade Customs are those practices which delineate the specific areas of responsibility with regard to a special trade or operation which might not be outlined in a commercial agreement.*

*Where a commercial agreement is silent with regard to one or more practices, the Trade Customs areas are used to interpret the intent of the parties.*

*It should be clearly understood that the Trade Customs protect both parties in a commercial agreement. It is, therefore, the responsibility and obligation of involved parties to understand their content and meaning.*

**8. Production Schedules** - Production schedules will be established and adhered to by Client and Designer, provided that neither shall incur any liability or penalty for delays due to state of war, riot, civil disorder, fire, labor trouble, strikes, accidents, energy failure, equipment breakdown, delays of suppliers or carriers, action of government or civil authority and acts of God or other causes beyond the control of Client or Designer. Where production schedules are not adhered to by the Client, final delivery date(s) will be subject to renegotiation.

**9. Client's Property** - The Designer will maintain fire, extended coverage, vandalism, malicious mischief and sprinkler leakage insurance covering all property belonging to the Client while such property is in Designer's possession. The Designer's liability for such property shall not exceed the amount recoverable from such insurance. Client's property of extraordinary value shall be specialty protected only if the Client identifies the property as requiring extraordinary coverage in writing.

**10. Outright Purchase vs. Reproduction Rights** - These terms should be established at the time of purchase. Outright purchase gives the buyer physical possession of the artwork, disk, or negatives, while reproduction rights and related copyright interests require the return of the original to the artist. Outright purchase does not give to the buyer commercial or private reproduction rights or any other copyright interests unless so stipulated in the Purchase Agreement. The matter of first reproduction rights with subsequent reproduction rights subject to additional compensation should be clearly understood at the time of purchase.

**11. Reuse and Extended Use of Artwork, Disk or Negatives** - Artwork, disk or negatives purchased for a specific use cannot be reused or adapted for other purposes than originally planned without additional compensation to the artist. If this possibility exists at the time of purchase, it should be so stated and the price adjusted accordingly. If reuse or adaptation occurs after purchase, the buyer should negotiate reasonable additional compensation with the artist. Whenever adaptation requires the services of an artist, and the creator has performed to the buyer's satisfaction, the artist should be given the opportunity to revise his own work.

**12. Mark-ups** - Any services or goods such as typography, printing, photography, etc., or materials used specifically for the completion of a given project will be billed to the Client with an appropriate mark-up. This mark-up is a handling fee only and unless otherwise agreed, does not include any professional or management fees.

**13. Speculation** - Graphic designs should not be asked for on speculation by a client. Design contests, except for educational or philanthropic purposes, are also considered speculation and not a trade custom.

**14. Terms** - By assigning an order either verbally or in writing or by purchase order, the client agrees to the designer's terms of payment and late charges on unpaid balances prescribed to by the designer. Payment shall be whatever was set forth in quotation or invoice unless otherwise provided in writing. Disputes over invoices must be made by the client in writing within a period of fifteen (15) days after the client's receipt of the invoice in question. Failure to make such claim within the stated period shall constitute acceptance and an admission that the client agrees with the invoice submitted. If only a portion of the invoice is in dispute, it is the client's responsibility to pay the portion not in dispute within the terms of the invoice.

**15. Liability** - A designer is only liable for the correction of errors made during the design and mechanical processes. The ultimate proofing prior to printing is always the client's responsibility unless the designer accepts this responsibility in written agreement. In any instance, the designer cannot be liable for more than the design and mechanical costs of a job in dispute.

**16. Indemnification** - The client shall indemnify and hold harmless the designer from any and all losses, costs, expenses, and damages (including court costs and reasonable attorney fees) on account of any and all manner of claims, demands, actions, and proceedings that may be instituted against the designer on grounds alleging that the said designer unknowingly violated any copyrights or any proprietary right of any person. Any materials such as photographs, photo-stats, transparencies, drawings, paintings, maps, diagrams, etc. furnished by the client to the designer should be free and clear of any copyright or trademark infringements. The designer is indemnified against any liability pursuant to the client's failure to obtain correct usage rights and said materials. Any false statements knowingly or unknowingly given to the designer, by the client, to be used as factual information to promote a product or service shall remain the client's sole responsibility for substantiation. The designer is indemnified from any liability due to the client's negligence.

**17. Print Management/Press Inspections** - If a designer performs a press inspection for a client, the client's responsibility for proofing remains in effect. If the client has signed a printer's blue-line, the designer is not responsible for any errors reflected in the approved blue-line. If the designer approves color on a press proof or any other color proof, the designer is only responsible for approving color acceptable by industry standards. The printer is responsible for ensuring that the subsequent press run matches the color within acceptable standards of the proof approved by the designer.

**18. New Media** - If a designer reviews a Web site for a client, the client's responsibility for proofing remains in effect. If the client has approved a site's content, the designer is not responsible for any errors reflected on the approved site. The client's Webmaster is responsible for ensuring that the colors and images remain within the acceptable standards of what has been approved by the designer.