

The Business of Freelancing

Brian Bass

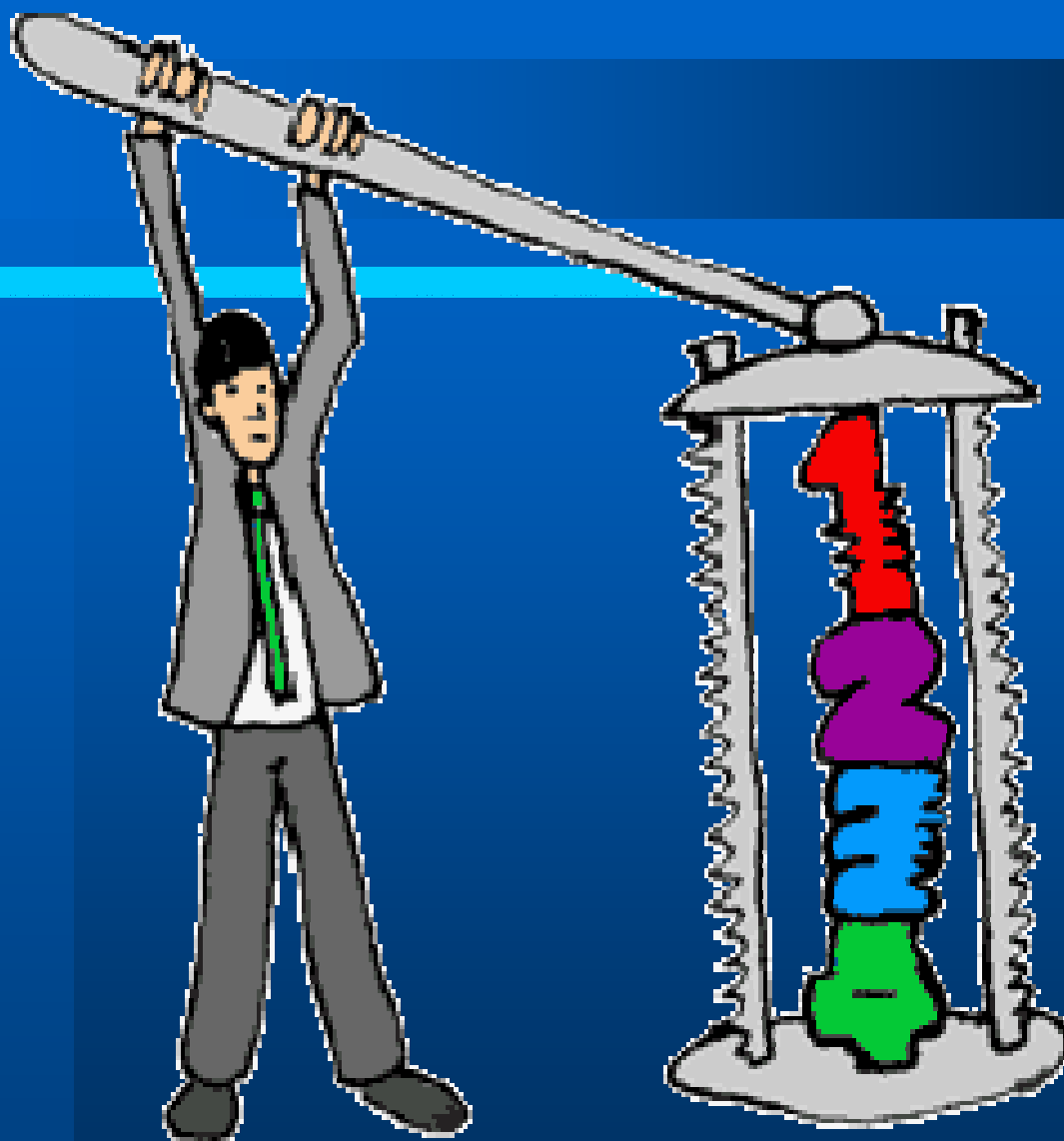
President

Bass Advertising & Marketing, Inc.

Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04

Business Basics

- **Fee setting**
- **Contracts**
- **Invoicing**
- **Liability issues**



Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04

Fee Setting

Method #1: Work by the Hour

Desired hourly rate X estimated number of hours per project

Method #2: Earn a Living Wage

Annual cost of living + estimated annual business expenses/average annual billable hours (1200)

Method #3: Charge for Value

What the traffic will bear

Method #1: Work by the Hour

- **Punishes the proficient**
 - Limit to the hourly rate clients will pay
 - The better you are at what you do, the more you have to work to make the same money
- **Punishes the client**
 - No end to what a project might cost

Method #2: Earn a Living Wage

- **Based in reality**
- **Billable hours are out of your control**
- **Big difference between hours worked and hours billed**
 - **Marketing**
 - **Bookkeeping**
 - **Administration**



Method #3: Charge for Value

- **Intangible formula**
 - Experience
 - Self-awareness
- **Rewards proficiency**
 - The better you are, the more you earn
- **Instills client confidence**

Can You Keep a Secret?



Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04

What do You Earn?

- **Hourly rate**
 - Mean \$74
 - Mode \$100
- **Annual income**
 - Mean \$89,183
 - Range \$4,300 – \$275,000



Gray T, Witte FM. 2002 Salary Survey. *JAMWA*. 2002;17(4):41-47.

Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04

How Can You Earn More?

- Be the best at what you do
- Deliver on what you promise
 - On-target, on-time, on-budget
- Master the art of freelance fee negotiation
 - **Never** negotiate your fee
 - **Always** negotiate the deliverable



Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04

Contracts

- **Define the deliverable**
 - Writing style/format
 - Outline (annotated?)
 - Manuscript length
 - Number and extent of revisions

Contracts

- **Define the scope**
 - Whose research/input?
 - Quantity of research/input?
 - Interviews?
 - Teleconferences?
 - Meetings?
 - M/L/R reviews?

Contracts

- **Define the timing**
 - Start to finish
- **Define the price and pay schedule**
 - Provide a written estimate

Contract Nightmares

- **Hidden clauses**
- **Preset rates**
- **Boilerplate descriptions**
- **Copyrights**

8. I hereby represent and warrant that you have **obtained any and all** **consent, permits, or approvals necessary to use** I will assume and **pay all royalties or other payments** owing as a result of the use of any and all photographs, artwork, film and video sequences, text, music, sound effects, graphical elements, video sequences or other intellectual property furnished by you to Company in connection with the Agreement. You agree to **indemnify and hold harmless the Company, its employees, and its agents** from and against any claims, demands, loss, damage, liability, expense, judgment, action, cause of action, royalty payments (including **without limitation court costs and attorney fees**) that are or brought against or incurred by Company in connection with or related to any and all intellectual property furnished to Company by you in connection with the Agreement, including **without limitation**, any claim that any intellectual property furnished to Company by you infringes any patent, copyright, trademark, trade secret, rights of publicity, **moral rights** or other person's claim that elements furnished to Company by you are libelous or defamatory.



Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04

Invoicing

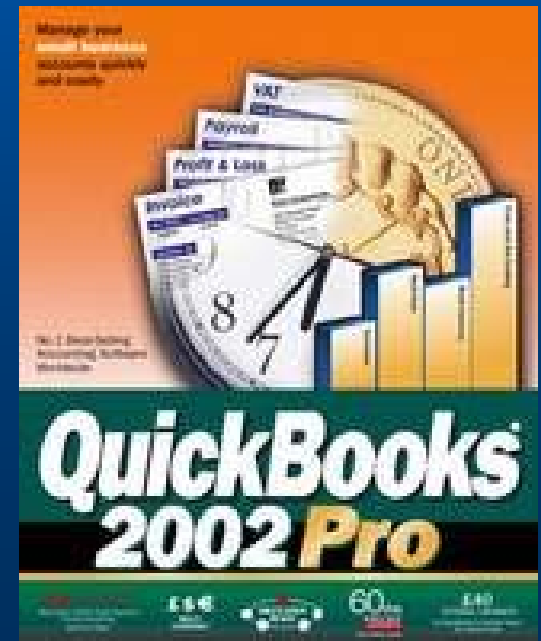
Cash is king

Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04

Invoicing Basics

- **Keep a daily timesheet**
- **Track all direct expenses**
- **Maintain a billing folder for each job**
- **Invoice promptly**
 - **And professionally**
 - **With no surprises**
- **Track all income**

Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04



Collect!



Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04



Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04

Liability

- **What you don't need**
 - Law degree
 - Lawyer on speed dial
 - Expensive insurance policy



Liability

- **What you do need**
 - **Common sense**
 - **Luck**



Liability

- **What you already have**
 - **Insulation**
 - **Multiple layers of review**
 - **Multiple degrees of separation**
 - **M/L/R**

Thank you

Presented AMWA-DVC Second
Annual Freelance Workshop, 1/17/04