

MILES MODELS, LLC

Buyout Rate and Modeling

At some point in your modeling career, you may be offered what's known as a "buyout." But what does it mean? What does it cover? And is it a good idea? Read on to find out!

What Is a Buyout?

In the modeling industry, a buyout is basically an advance payment for future use of a particular photo or set of photos. Instead of paying the model residuals (repeat payments each time the photo is used), the client and the agency negotiate a one-time fee that allows the client to use the photo(s) as many times as they'd like.

Do They Apply to Freelance Models or Just Agency Models?

Buyouts are offered to both independent models and those under agency representation. Models with agencies often come out on top, though, because agencies are familiar with these types of contracts and know how to negotiate top buyout rates and the fairest terms.

Why Would Anyone Want to Use the Same Photo Over and Over Again?

Companies don't want to use the same old advertisements year after year, and readers don't want to see them either. So why bother with buyouts, you ask?

Well, buyouts can cover multiple types of media. Rather than using one shot for one type of ad, the client can negotiate the buyout to cover all sorts of media types, such as in-store marketing, digital ads, billboards, flyers, newsletters, brochures, bus ads....the list goes on and on.

Will My It Appear Somewhere I Don't Want It to Be?

No. The terms of the buyout contract should state that your photos will only be used by the original company to promote their services or products. They can't be sold to a third party or manipulated to change their intended purpose.

How Much Are Buyout Fees?

Buyouts are usually paid in addition to the day rate, but sometimes they're included. In general, the buyout rate works out to be about half of the original daily rate. So depending on the type of job, the client, and whether you're freelance or under agency representation (as mentioned before, agencies have the skills to negotiate higher rates), you could get paid anywhere from a few hundred to several thousand dollars.

What Do They Cover?

The terms of a buyout vary. The buyout contract might be limited to a certain geographical region (only effective in the state of New York, for example) or to a certain time period (it's common for contracts to only last 1 or 2 years). However, it's possible for the buyout to be an unlimited time, worldwide buyout. That means the client can use the photo in any country for as long as they want.

Are There Any Downsides to Accepting One?

When it comes to buyouts, the pros definitely outweigh the cons. Residuals can be few and far between, meaning it's much more convenient to receive a lump buyout sum rather than sporadic checks in the mail.

The only real negative aspect to a buyout is that it might prevent you from working for any competitors for the duration of your career. So if you're in an ad for, say, a particular shoe company, you might not be able to work for any other shoe company in the future. There's often a higher buyout fee involved with this type of restriction, though, so depending on your career plans it may work out well for you. It's also worth mentioning that if your face is unrecognizable in the ad, you may be able to work around the non-compete clause and continue to accept work from similar companies.