



Post Production

BIDDING & ESTIMATES

The bid provided by the editorial company is an estimate based on the project specifications provided by the agency. In the event the project specifications change in any material respect, such change should be confirmed in writing by both the editorial company and the agency. Acknowledgement of a change in specifications by a producer or other representative of the agency shall constitute agency's agreement to pay any additional costs occasioned by the change at a rate and with mark-up consistent with the original estimate.

Firm Bid

Under this system, editorial companies submit a proposal including a summary of costs. Once details of the approach and the parameters of the expected work are agreed upon and the proposal is accepted, it becomes the contract price for the job, barring a change in specifications. There are no accounting obligations to the contracting client by the editorial company for the actual costs incurred. It is standard industry practice that contracting client producers have the authority to approve changes in specifications and corresponding adjustments to the contract price.

Cost Plus

Under this system, editorial companies submit a proposed bid to include the number of labor and offline hours/days to be booked. This proposal also includes an estimate of costs to finish the commercials. When the job is actualized, the contract price becomes the actual cost incurred, plus mark-up. Labor and offline are billed as incurred. Finishing and out of pocket costs are billed as used.

Cost Plus Fixed Fee

Under this system, editorial companies submit a proposed bid to include the number of labor and offline hours/days to be booked. This proposal also includes an estimate of costs to finish the commercials. When the job is actualized, the contract becomes the actual cost incurred, plus a fixed fee. Labor and offline are billed as incurred, but not less than time booked. Finishing and out of pocket costs are billed as used.