

**shutterstock** premier

# The Basics of Shutterstock's Royalty Free Content



# What Are the Different Types of Stock Image Licenses?

The two most common types of stock photo licenses are *royalty free*, sometimes written as just “RF,” and *rights-managed* (RM).

**When licensing royalty free images, the buyer is granted (almost) unlimited rights to the image.** You, the buyer, can use an RF image in virtually any medium or application, for as long as you like (“in perpetuity”), in as many projects as you need – and as long as you stay within the licensing terms of the agreement. Once you have purchased the image, you are immediately at liberty to use the image in your projects.

What sometimes confuses people with the term “royalty free” is the word ‘free.’ This means that the person who licensed the image is free from having to pay future royalties in additional projects once the

initial payment has been made to the copyright holder, i.e. no additional royalty payments are owed.

With rights-managed images (RM), the buyer typically has restrictions on how and where they can use the image. For example, some restrictions could be placed on how long you can use the image (duration of use), where you can use the image (restrictions on geographic locations / regions) and what industry you can use the image. All these elements are used to determine the price paid for a RM image.



# The Basics of Shutterstock's Royalty Free Content

Shutterstock's "Royalty Free" (RF) license refers to a license under which rights are sold at a one-time flat rate without the need for any additional payments, offering licensees flexibility and affordability.

However, keep in mind that RF licenses exist on a spectrum: some are more limited than others.

Shutterstock's Standard License is our most limited RF license. Not only are the rights to use content more limited under a Standard License, but also other important terms are more limited, such as:

- Indemnification
- The ability to transfer the license
- The number of users who can manipulate the content
- The ability to archive content

Shutterstock's Premier Licenses allow a much broader use. If you are not licensing under the right license, you are in breach of your license agreement, which can negatively impact you and your clients. Shutterstock's single seat and image pack licenses both sit with the person who purchased them and not the company they work for, even when purchased using a company credit card.

## Benefits of Royalty Free images



World Wide Distribution



Perpetual Reuse



Unlimited Number of Channels

# Single-Seat Licenses vs. Unlimited Users; Transferability (3rd party)

Shutterstock's Standard Licenses is a single-seat and non-transferable.

## This means:

- Only one user is permitted to access the account and manipulate the content licensed from that account. If more than one person downloads images from Shutterstock using that single seat account, the Licensee is in breach of the license.
- A Licensee may provide image or video files to a third-party for the purpose of producing goods, which incorporate that content, but the Licensee may not allow anyone else to use the content.

By comparison, **Shutterstock Premier** grants access for an unlimited number of users – as well as the right to assign content to one client, and for one time only:

- Anyone working on behalf of the Licensee may have access to Shutterstock's content library.
- Content may be assigned to a client, provided the client agrees (in writing) to use such content in accordance with the license – and further provided that the Licensee notify Shutterstock in writing of any such assignment.

# “Indemnification” – What’s That?

Shutterstock guarantees that its content, when used as permitted by the license, will not infringe on the intellectual property rights, or rights of publicity / privacy of any third-party.

Shutterstock stands behind these warranties by covering the costs for damages that are payable to such third parties which directly result from a breach of those guarantees. This is indemnification.

## Under Shutterstock’s **Standard or Enhanced License:**

- Shutterstock indemnifies its Licenses up to \$10,000 per image under the Standard License, and up to \$250,000 per image under the Enhanced License.

## Under Shutterstock’s **Premier License:**

- Shutterstock’s Premier License provides the Licensee with **uncapped indemnification** (subject to the terms of the license).

That means Shutterstock will cover liability and hold you harmless for direct damages arising from a third-party claim directly attributable to Shutterstock’s breach of the express warranties and representations made in the license.

In the case that the Licensee has assigned content to its client under Shutterstock Premier, all of the Licensee’s rights and obligations (under the license) are assigned to the client, including the right to seek indemnification.

## Things to consider when licensing an image



Content



Liability



Security

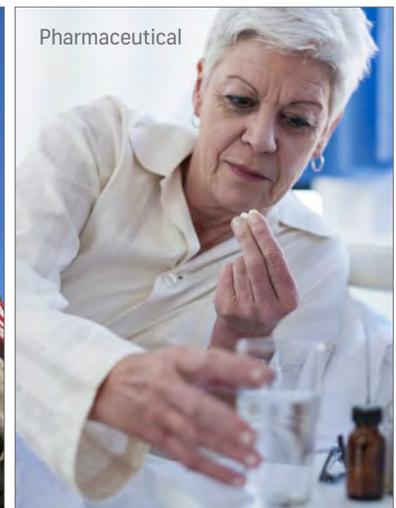


Rights

# Sensitive Use: Additional Benefit of Premier

Shutterstock Premier also allows for **“Sensitive Uses,”** i.e. pharmaceutical, healthcare, tobacco advertising, and political advertising – all of which might be considered controversial, or unflattering.

Shutterstock requires its contributors to opt-in to Sensitive Use. Photographers that have opted-in have expressly agreed to allow these kinds of uses. This is why **Shutterstock Premier** is essential if you wish to use content for these types of Sensitive Uses.



# Importance of Having the Correct License and Indemnification

Every image created is automatically protected under copyright law.

**Copyright infringement, copyright piracy or copyright violation, is the unauthorized use of copyrighted photos, in a way that violates one of the copyright owners' exclusive rights. Imagery infringement may include:**

- Using the image beyond the scope of a license or permission granted.
- Recreating an image identically with another photographer.
- Use of whole or part of an image without permission i.e. "mash-up" or derivative work.

When infringement occurs, the list of potential parties or individuals that may be liable includes:

- The entity that infringed (the photographer or the person who stole the image). This is true even if done unintentionally.
- Employees or others who were a part of the original infringement.
- Any entity or person who published the infringing image, whether they had knowledge or not.
- Anyone who authorized or encouraged infringement.

In some cases, copyright infringement results in monetary damages being awarded, lawsuit nightmares, and costly legal fees. In very rare circumstances, criminal charges could be pressed.



Remember this:  
royalty free licenses exist  
on a spectrum.

**Some are more limited than others.** From a small business owner who needs a few images for their website each month – to a large enterprise downloading high-volumes of content. It's important to make sure your business is operating under the right license and with the right protection. If you'd like to speak to a Shutterstock specialist about your licensing needs, [let us know here.](#)

## About Shutterstock, Inc.

Shutterstock, Inc. (NYSE: SSTK), is a leading global provider of high-quality licensed photographs, vectors, illustrations, videos and music to businesses, marketing agencies and media organizations around the world. Working with its growing community of over 80,000 contributors, Shutterstock adds hundreds of thousands of images each week, and currently has more than 60 million images and 3 million video clips available.

Headquartered in New York City, with offices in Amsterdam, Berlin, Chicago, Denver, London, Los Angeles, Montreal, Paris and San Francisco, Shutterstock has customers in more than 150 countries. The company also owns Bigstock, a value-oriented stock media provider; Offset, a high-end image collection; PremiumBeat a curated royalty-free music library; Rex Features, a premier source of editorial images for the world's media; and WebDAM, a cloud-based digital asset management service for businesses.