

Assignment 6

1. Read Chapter 14
2. Bring to class:
 - 2 Copies of Copyright Registration Form VA
 - 2 Copies of Short Form VA
 - 1 Copy of the instructions to each form.

Assignment 5

1. Read Chapters 12, 13
2. Prepare an estimate for a job that will come through your studio. It may be any photograph of your choice, but it must involve the services of at least one other person. The image you produce will be used in an advertisement inside the back cover of the AARP Bulletin. Assume that the art director has chosen you because your specialty is just what is needed for this photo.
The Client is Merck Pharmaceuticals. The buyer works for the client's advertising agency. Your image will run two inches square as an insert photo along with a 3/4 page main photo that will be supplied by a different photographer.

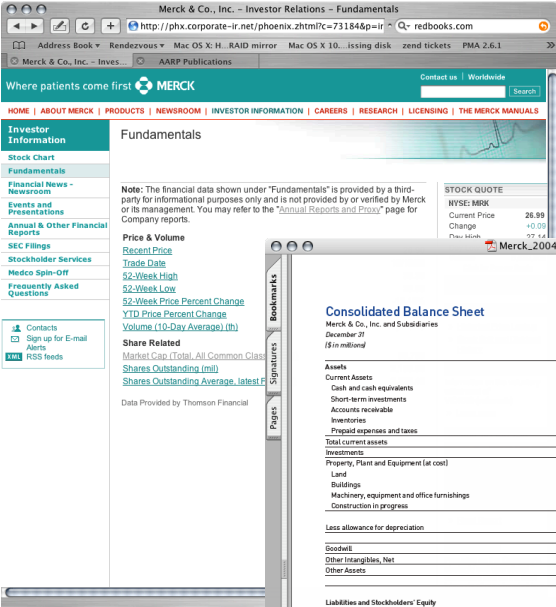
Merck & Co., Inc.

\$295,693,200
in Advertising
(redbooks.com)

\$91,093,000,000 in Market Cap
(merck.com)

\$44,845,800,000 in Assets
(merck.com)

\$22,011,900,000 in Sales last year
(merck.com)



| | 2004 | 2003 |
|---|------------|------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 2,978.8 | \$ 1,201.0 |
| Short-term investments | 4,211.1 | 3,972.0 |
| Accounts receivable | 3,027.7 | 4,023.6 |
| Inventories | 1,896.7 | 2,256.7 |
| Prepaid expenses and taxes | 856.9 | 772.9 |
| Total current assets | 13,475.2 | 11,527.2 |
| Investments | 6,227.1 | 7,961.2 |
| Property, Plant and Equipment (at cost) | | |
| Land | 366.6 | 356.7 |
| Buildings | 8,876.3 | 8,016.9 |
| Machinery, equipment and office furnishings | 11,526.1 | 11,018.2 |
| Construction in progress | 1,661.6 | 1,901.9 |
| Total | 22,866.6 | 21,293.7 |
| Less allowance for depreciation | 8,086.9 | 7,126.7 |
| Goodwill | 1,085.7 | 1,085.4 |
| Other intangibles, Net | 679.2 | 866.0 |
| Other Assets | 5,891.9 | 5,000.7 |
| Total Assets | \$42,572.8 | \$40,587.5 |
| Liabilities and Stockholders' Equity | | |
| Current Liabilities | | |
| Notes payable and current portion of long-term debt | \$ 2,181.2 | \$ 1,700.0 |
| Trade accounts payable | 421.4 | 735.2 |
| Accrued and other current liabilities | 5,288.1 | 3,772.8 |
| Income taxes payable | 3,052.3 | 2,338.9 |
| Dividends payable | 861.1 | 822.7 |
| Total current liabilities | 11,764.1 | 9,569.6 |
| Long-Term Debt | 4,401.5 | 5,096.0 |
| Deferred Income Taxes and Noncurrent Liabilities | 6,642.1 | 6,430.3 |
| Minority Interests | 2,486.9 | 3,915.2 |
| Stockholders' Equity | | |
| Common stock, one cent par value | | |
| Authorized-5,400,000,000 shares | 29.8 | 29.8 |
| Issued-2,576,200,393 shares | 6,869.8 | 6,956.6 |
| Other paid-in capital | 36,626.3 | 36,162.0 |
| Retained earnings | 165.8 | 65.5 |
| Accumulated other comprehensive (loss) income | 43,680.8 | 41,992.9 |
| Less treasury stock, at cost | | |
| 767,591,491 shares-2004 | 26,191.8 | 25,817.5 |
| 756,466,986 shares-2003 | 17,288.2 | 15,576.4 |
| Total stockholders' equity | \$40,587.5 | \$40,587.5 |

| Rank | Advertiser | Spend (\$ mil.) |
|------|-------------------------------------|-----------------|
| 20 | AT&T Wireless Services Inc | \$737,159.4 |
| 21 | Sears Roebuck & Co | \$707,327.7 |
| 22 | General Motors Corp Loc Dir | \$686,309.7 |
| 23 | Ford Motor Co Dir Assn | \$686,162.7 |
| 24 | National Amusements Inc | \$684,467.1 |
| 25 | Honda Motor Co Ltd | \$659,485.6 |
| 26 | General Motors Corp Dir Assn | \$632,022.4 |
| 27 | Target Corp | \$626,739.8 |
| 28 | Loreal SA | \$612,480.6 |
| 29 | Federated Dept Stores Inc | \$582,094.9 |
| 30 | Yum Brands Inc | \$579,203.3 |
| 31 | McDonald's Corp | \$572,843.8 |
| 32 | Ford Motor Co Loc Dir | \$572,457.3 |
| 33 | General Mills Inc | \$535,685.9 |
| 34 | Home Depot Inc | \$522,130.5 |
| 35 | Hewlett-Packard Co | \$509,809.5 |
| 36 | Microsoft Corp | \$506,205.5 |
| 37 | May Dept Stores Co | \$501,618.2 |
| 38 | Wal-Mart Stores Inc | \$500,721.3 |
| 39 | Hyundai Corp | \$488,074.7 |
| 40 | Unilever | \$486,481.3 |
| 41 | Dell Computer Corp | \$484,507.2 |
| 42 | JC Penney Co Inc | \$455,618.5 |
| 43 | US Govt | \$449,918.1 |
| 44 | Novartis AG | \$445,489.0 |
| 45 | Toyota Motor Corp Dir Assn | \$443,190.7 |
| 46 | Nestle SA | \$438,251.8 |
| 47 | Toyota Motor Corp Loc Dir | \$422,159.3 |
| 48 | Mars Inc | \$420,713.1 |
| 49 | Anheuser-Busch Cos Inc | \$417,885.7 |
| 50 | Gap Inc | \$407,641.3 |
| 51 | Corox Co | \$404,757.8 |
| 52 | Volkswagen AG | \$402,675.4 |
| 53 | IBM Corp | \$400,373.3 |
| 54 | DaimlerChrysler AG Loc Dir | \$391,343.7 |
| 55 | IAC/InterActiveCorp | \$387,014.4 |
| 56 | Kellogg Co | \$383,976.9 |
| 57 | ChGroup Inc | \$371,699.9 |
| 58 | Deutsche Telekom AG | \$364,360.4 |
| 59 | American Express Co | \$363,604.1 |
| 60 | Gillette Co | \$354,109.1 |
| 61 | Best Buy Co Inc | \$337,711.3 |
| 62 | Reckitt Benckiser PLC | \$323,486.3 |
| 63 | DaimlerChrysler AG Dir Assn | \$322,880.2 |
| 64 | Via USA Inc | \$319,211.6 |
| 65 | AstraZeneca PLC | \$316,850.8 |
| 66 | Wyeth | \$316,582.2 |
| 67 | Wendys Int'l Inc | \$307,994.5 |
| 68 | MasterCard Int'l Inc | \$306,148.8 |
| 69 | Nexel Communications Inc | \$305,483.1 |
| 70 | Merck & Co Inc | \$295,693.2 |
| 71 | AT&T Corp | \$291,034.9 |
| 72 | Lovess Cos Inc | \$286,955.5 |
| 73 | Kohls Inc | \$285,613.5 |
| 74 | SC Johnson & Son Inc | \$278,162.6 |
| 75 | Texas Pacific Group | \$277,281.8 |
| 76 | Campbell Soup Co | \$274,263.5 |
| 77 | Doctors Assoc Inc | \$268,199.4 |
| 78 | Berkshire Hathaway Inc | \$267,398.3 |
| 79 | State Farm Mutual Auto Ins Co | \$262,971.6 |
| 80 | SabMiller PLC | \$258,304.9 |
| 81 | Coca-Cola Co | \$254,540.1 |
| 82 | Mitsubishi Motors Corp | \$248,437.3 |
| 83 | Allstate Corp | \$248,384.1 |
| 120 | United Parcel Service/America Inc | \$152,616.5 |
| 121 | MacAndrews & Forbes Holdings Inc | \$149,927.3 |
| 122 | BMW AG | \$149,690.6 |
| 123 | Charles Schwab Corp | \$149,380.3 |
| 124 | Frye Electronics Inc | \$148,113.6 |
| 125 | Bradford Exchange Ltd | \$147,813.4 |
| 126 | Canon Inc | \$147,577.5 |
| 127 | KMart Corp | \$145,969.4 |
| 128 | Walgreen Co | \$145,910.9 |
| 129 | Adolph Coors Co | \$144,882.4 |
| 130 | Morgan Stanley | \$144,431.1 |
| 131 | Southwest Airlines | \$143,642.0 |
| 132 | Abbott Lab | \$143,640.2 |
| 133 | Hallmark Cards Inc | \$142,375.3 |
| 134 | Bose Corp | \$138,424.7 |
| 135 | Hershey Foods Corp | \$137,826.1 |
| 136 | Washington Mutual Inc | \$134,017.1 |
| 137 | UAL Corp | \$133,903.4 |
| 138 | Energen Holdings Inc | \$132,772.4 |
| 139 | Dreamworks Skg | \$132,715.4 |
| 140 | Eastman Kodak Co Inc | \$132,078.4 |
| 141 | Fuji Heavy Industries Ltd | \$130,636.1 |
| 142 | Freeza.com Inc | \$129,452.5 |
| 143 | Haubro Inc | \$128,578.4 |
| 144 | Hyundai Corp Dir Assn | \$127,647.6 |
| 145 | Toy-R-Us Inc | \$127,440.2 |
| 146 | Dominos Pizza Inc | \$127,063.4 |
| 147 | Quest Communications Int'l Inc | \$124,087.2 |
| 148 | Belkouth Corp | \$122,326.7 |
| 149 | Bayer Corp/GlaxoSmithKline PLC | \$122,210.8 |
| 150 | Media Networks Inc | \$120,929.2 |
| 151 | Albertsons Inc | \$119,281.7 |
| 152 | Royal Philips Electronics NV | \$118,215.8 |
| 153 | Brimmer Int'l Inc | \$117,307.0 |
| 154 | Bertelsmann AG | \$117,228.8 |
| 155 | FMR Corp | \$116,805.8 |
| 156 | LVMH Moet Hennessy Louis Vuitton SA | \$116,440.1 |
| 157 | Royal Dutch/Shell Group of Cos | \$116,295.2 |
| 158 | Tap Pharmaceuticals Inc | \$115,473.7 |
| 159 | Marriott Int'l Inc | \$113,174.6 |
| 160 | Apple Computer Inc | \$112,867.6 |
| 161 | McGraw-Hill Cos Inc | \$112,746.1 |
| 162 | Advance Publications Inc | \$112,438.5 |
| 163 | RJ Reynolds Tobacco Holdings Inc | \$110,656.9 |
| 164 | Rbay Inc | \$107,950.5 |
| 165 | Kroger Co | \$107,088.0 |
| 166 | Maytag Co | \$106,412.9 |
| 167 | Rooms To Go Inc | \$106,193.5 |
| 168 | Royal Caribbean Int'l | \$105,400.0 |
| 169 | Discovery Communications Inc | \$105,287.1 |
| 170 | Applebees Int'l Inc | \$104,495.4 |
| 171 | ELI Lilly & Co | \$103,520.8 |
| 172 | Safeway Inc | \$103,410.9 |
| 173 | Saks Inc | \$103,388.6 |
| 174 | William Wrigley Jr Co | \$102,083.3 |
| 175 | Saltire Inc | \$102,041.6 |
| 176 | United Online Inc | \$101,813.5 |
| 177 | Office Depot Inc | \$101,707.6 |
| 178 | Catalan Music Lic | \$101,319.7 |
| 179 | Pedex Corp | \$100,493.7 |
| 180 | AITEI | \$100,009.8 |
| 181 | KAO Corp | \$99,327.2 |
| 182 | Sports Authority Inc | \$97,824.8 |
| 183 | Lions Gate Entertainment Corp | \$97,360.5 |

Merck News Release

Media Contact: Janet Skidmore (908) 423-3046 Investor Contact: Graeme Bell (908) 423-5185

Merck Announces Second-Quarter 2005 Earnings Per Share (EPS) of 33 Cents; Excluding Net Tax Charge Primarily Related to American Jobs Creation Act (AJCA), EPS were 62 Cents

- Results Reflect Net Tax Charge of 29 Cents Per Share Primarily Related to AJCA
- Merck Anticipates Full-Year 2005 EPS Range of \$2.44 to \$2.52, Excluding Net Tax Charge, and Reported Full-Year 2005 EPS Range of \$2.15 to \$2.23
- Merck Anticipates Third-Quarter EPS of 61 to 65 Cents
- Combined New Prescriptions for ZETIA and VYTORIN Reached 12.5% of U.S. Lipid-Lowering Market, Based on Most Recent Weekly Data
- U.S. Food & Drug Administration Accepts License Applications for Both ROTATEQ and ZOSTAVAX for Standard Review
- Merck and Sumitomo Agree to Collaborate on Development and Commercialization of Schizophrenia Compound Lurasidone

WHITEHOUSE STATION, N.J., July 21, 2005 – Merck & Co., Inc. today announced that earnings per share (EPS) for the second quarter of 2005 were \$0.33, compared to \$0.79 for the second quarter of 2004. In the second quarter of 2005, the Company recorded a net tax charge of \$640 million to Taxes on Income (29 cents per share), which included a \$740 million charge relating to the decision to repatriate \$15 billion of foreign earnings in accordance with the American Jobs Creation Act (AJCA) of 2004, partially offset by a \$100 million benefit associated with a decision to implement certain tax planning strategies. Excluding the impact of the net tax charge, EPS for the second quarter of 2005 were \$0.62. Net income was \$720.6 million, compared to \$1,768.1 million in the second quarter of last year.

Worldwide sales were \$5.5 billion for the quarter, compared to \$6.0 billion for the second quarter of 2004. Total sales decreased 9% for the quarter, which reflects a decrease of 11% related to the VICXX withdrawal, offset by other revenue growth of 2%.

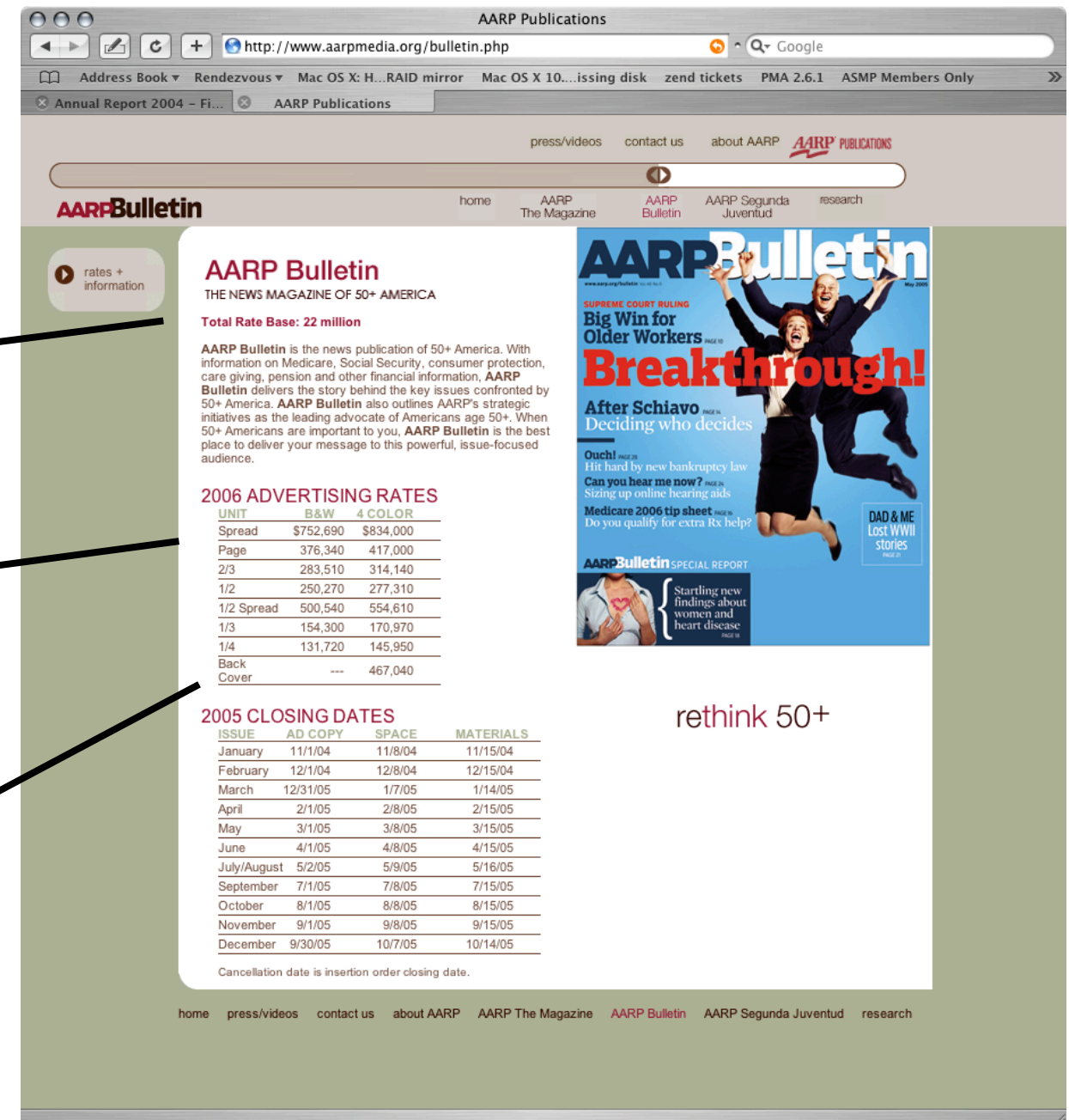
- more -

AARP Bulletin

22,000,000 Circulation

A page costs \$417,000

Back Cover costs \$467,000



Question:

How important is this job to the person who just called you for this estimate?

To the advertising agency?

To the client?

Getty Images


\$3,335 for
non-exclusive use

Getty Images – Price Calculator

gettyimages™

Step 2 of 2: Review license and price

Checked items will be added to shopping cart



License details
Use: Print Ad - Magazine and Newspaper
Size: Up to 1/8 of Ad
Total Ad Copies: More than 10 million
Start date: Oct 11, 2005
End date: Nov 11, 2005
Territory: United States
Industry: Pharmaceuticals & Supplements
Exclusivity: No Exclusivity
[Contact us for exclusivity](#)

Image number:
☒ 10186408

Collection:
The Image Bank

Title:
CAPSULES, CLOSE-UP

Price:
\$ 3,335.00 USD

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[What if I don't know all of the details?](#)

FotoQuote

fotoQuote v2.0

Advertising - Trade Magazine

Click on the camera for more information about this category.

Size

- 1/4 Page
- 1/2 Page
- 3/4 Page
- Full Page
- Double Page
- Inside Cover
- Back Cover
- Gatefold

Rights Granted

One-Time Non-Exclusive

RIGHTS: ONE TIME NON-EXCLUSIVE in one version only.

Value Added Factors (None Selected)...

Press Run

- 100k - 250k
- 250k - 500k
- 500k - 1 Million
- 1 - 3 Million
- 3 - 5 Million
- 5 - 10 Million
- 10 - 20 Million
- Over 20 Million

Coach Tips

- Usage Tips
- Steps - Outline
- Partial Covers & Ads
- Multiple Insertions
- Documentation
- Improvising Prices
- Steps to a Sale

This usage for Advertising - Trade Magazine will probably be priced between \$1,268 and \$2,108. The average price is \$1,688.

Trade Magazine are very special magazines often because the magazines are targeted to specific interest groups. Trade

fotoQuote v2.0

Advertising - Trade Magazine

Click on the camera for more information about this category.

Size

- 1/4 Page
- 1/2 Page
- 3/4 Page
- Full Page
- Double Page
- Inside Cover
- Back Cover
- Gatefold

Rights Granted

12 Months Unlimited

RIGHTS GRANTED: 12 months of unlimited insertions for the specific usage you are pricing.

Value Added Factors (None Selected)...

Press Run

- 100k - 250k
- 250k - 500k
- 500k - 1 Million
- 1 - 3 Million
- 3 - 5 Million
- 5 - 10 Million
- 10 - 20 Million
- Over 20 Million

Coach Tips

- Usage Tips
- Steps - Outline
- Partial Covers & Ads
- Multiple Insertions
- Documentation
- Improvising Prices
- Steps to a Sale

This usage for Advertising - Trade Magazine will probably be priced between \$3,798 and \$7,596. The average price is \$5,064.

Trade Magazines greatly outnumber consumer magazines, and the ads are very specialized to a specific industry. Advertising in trade magazines often produces better results than consumer magazines because the magazines are targeted to specific interest groups. Trade

Assignment 6

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