TYPE DEPARTMENT

Welcome to our Font Licensing Guide, a resource crafted for freelancers and businesses. This guide will help you navigate the complexities of font licensing, ensuring you can choose and use fonts with confidence and compliance.

Whether you're creating designs, developing software, or producing marketing materials, our guide provides the essential information you need to make informed decisions and avoid legal pitfalls.

Unlock the full potential of fonts in your projects while staying on the right side of licensing requirements.

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MOST DESIGN PROJECTS NEED A FONT

The right font is crucial to the success of projects small and large, from an organic jam label to an international airport's wayfinding system, but understanding font licensing can be daunting for the uninitiated designer. Font End User Licensing Agreements (EULAs), the detailed contractual agreements between foundry and licensee, are not particularly simple to read through, packed as they are with intimidating jargon. The good news: in truth, font licensing isn't terribly complex once you understand the basics.

In simple terms, as a company or individual (or someone who works at a company licensing fonts for a client), you are purchasing a legal document that grants the right to use the font software you've chosen for prescribed installations and permitted usages. It's important to understand these documents in terms of both project budget and the terms for using the fonts, which always remain the intellectual property of the font designer or foundry.

Designers and managers at large companies can be fearful of making errors when licensing fonts, often feeling unsure of the facts needed to make an appropriate choice. What they do know, however, is that breaching a font license can be costly to remedy, both financially and in terms of client relationships. It can be a monumental task to convince senior management, financial, and legal colleagues that the font you chose is vital to your design and can't be replaced with a free font without compromising the integrity of the finished product. Any of these issues sound familiar?

After running our marketplace Type Department for several years now, we're well-versed in the strengths and weaknesses of font licensing decisions and the process between agencies, studios, and font license distributors. With the knowledge gained, we've created this resource to help you navigate font licensing systems, provide tips and guidance for your employees, and make the most cost-effective decisions.

We set up a round table conversation with founders and designers of leading type foundries and studios, to address best practices and provide a comprehensive view of the subject. Advice from these professionals, who have a combined total of over 50 years' experience in the graphic design, type design, and font licensing businesses, will provide a comprehensive view of the subject from all sides.

WHY CHOOSE A PAID FONT LICENSE

We know what some of you may be thinking. "Why do I need to know any of this when I can just use free fonts?" The idea of paying for digital assets is still foreign to many people, since these assets are not tangible objects and it's hard to quantify their value at first thought.

Beware the hidden, non-financial costs of free fonts. "If you use a Google Font on your website, you're hosting it from Google," says Johannes Breyer. "The company can track your website and traffic, and they're using that knowledge to sell better targeted ads to all of us and make a profit. You're telling them about your visitors and you're giving away your privacy. That's why it's free." While Open Source fonts can be the most cost-effective solution for projects with smaller budgets, there is another downside: your work might not feel distinctive and original, and could easily get lost in today's visual clutter. While independent type foundries have more interesting designs to offer, conglomerates try to create fonts that appeal to a mass market so that lots of people will download and use them. Which one would you rather support?

Creative Director and Type Designer Mark Bloom points out that brand identity consists of four basic elements: logo, type, color, and imagery. He says, "When type makes up one of the four essential brand elements, it's hugely important to get it right. As a graphic designer for over 20 years before setting up CoType Foundry, I have had to argue this case many times before with my clients. There are several advantages to purchasing a Font from a foundry: first, it is most likely going to be less commonly used than an Open Source Font. And second, most foundries can offer customization, adding
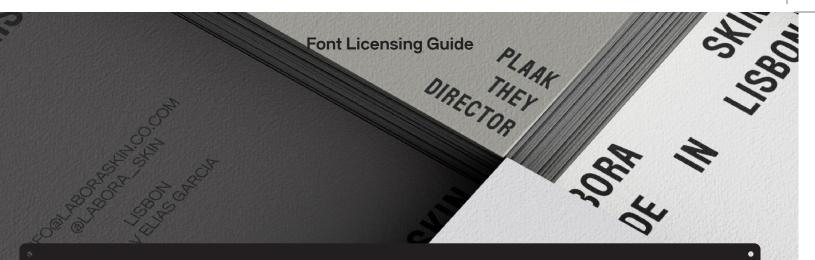
further uniqueness or functionality to the Font. Google provides some great fonts, but they are being used by tens, maybe even hundreds of thousands of designers."

Foundry owner and Designer Jean-Baptiste Levée adds, "Nobody wants a brand that looks just like its neighbour. In the field of professional branding and design, laziness and corporate conformism are a plague. Curiosity and audacity are values that are worth putting forward. That is why, in a sea of sameness, brands are either compelled to know better, or doomed to vanish." The right Font can make the difference between a ho-hum brand identity and a memorable one.

Italian Type Designer Valerio Monopoli raises an interesting point: licensing a font from any independent designer or small foundry can be a political act. You are choosing to engage with talented peers rather than large corporations such as Google. "Platforms and designers offering free goods are a byproduct of privilege: they either profit from other services they provide or they happen to have the time (that is, the financial stability) to market themselves through the devaluation of their work. A Font usually takes months to be completed, and most designers can't invest this much time in a project if it doesn't entail a basic financial return. Investing in independent design counters the gentrification of the design market and paves the way for a true democratization of the craft, which in the long run means better and more diverse products at an affordable price."

Comparitavely Johannes Breyer echoes this thought. "Independent practices–the people pushing boundaries and trying out new things– can't afford to give away their Fonts for free. It's

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Jean–Baptiste Levée, Type Designer

like the difference between buying fruit from an organic farmer vs. a Walmart; there might be a price difference, but there's also a quality difference. And one of them is treating their workers better than the other. We try and convince our clients to go for a boutique studio; to work with people who care deeply about their craft and who have honed their skills to produce something beautiful, unique, and interesting with an authentic, personal story behind it."

BEST PRACTICES WHEN CHOSING A FONT

01

Start the conversation early and understand what usages you require. Know the size of your project's audience (how many web impressions? what's the print run?), the duration of the use (limited or in perpetuity?), the global distribution, the medium, how many computers will need to access the font, and so on. The more information you have upfront, the simpler the conversation and negotiations with the foundry will be.

02

Read the EULA. This seems obvious and hardly worth saying, but EULAs are not all alike, and make sure to ask the foundry to explain or clarify anything you don't understand before you sign the agreement! Treat it as you would any other legally binding document, because it is. Type Designer Peter Bi'lak says, "Large vendors and distributors tend to offer renewable subscriptions, and small, designer-driven foundries usually offer lifetime licenses. Compare the terms. It is usually a good idea to deal directly with the maker who can provide advice on how to get the most out of the fonts." Bloom adds, "Read over EULAs carefully since every foundry treats licensing differently. For example, some foundries will charge extra for logo, social media and video usage, while others may base their licensing costs on the number of employees within the business." Many foundries split licensing into separate categories such as Desktop, Web, Application and Broadcasting.

03

Don't buy more font styles than you actually need. Some fonts have over twenty weights and styles. Do you really need them all? Save a pile of money by downloading the trial version of the font which most foundries provide free of charge, and experimenting early on in the design process until you feel settled on the weights and styles that work best. You can always go back and purchase other styles later if you decide to change your display font from a condensed to an extended weight. Monopoli says, "Usually two carefully selected weights will do the job."

04

Respect the designer's time, craft and expertise. Fonts are intellectual property; the rights remain with the owner. The business or individual that purchases a font license becomes an authorised user of the Font, not another owner. In other words, you've bought only the right to use the font, not the font itself. Understand that you cannot open up the font file, or modify the Font's design in any way without explicit permission and an appropriate license obtained by the font owner.

Licensing a font from an independent designer or small foundry is a political act. You are choosing to engage with talented peers rather than large corporations.

Valerio Monopoli, Type Designer

WHAT TO AVOID WHEN LICENSING A FONT

01

Failing to keep an eye on budget. Do some advance research on the font you hope to use. As mentioned earlier, it's ideal to start the conversation of licensing early on in the production process. What you don't want is for the design to be signed off, and adored by the entire team, only to discover that the font license is out of budget for the usage you require and you have to swap it out for its ugly cousin, or worse, re-start the design process. No professional designer has the time or money to waste like this.
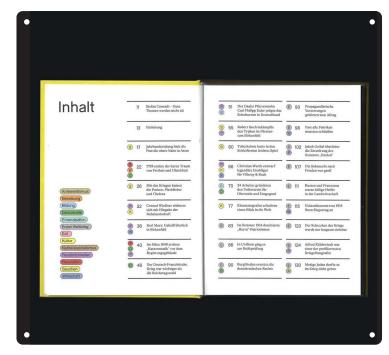
02

Vagueness regarding usage. Always be as specific, clear, and upfront as you can when discussing usage with the foundry. Which leads us to...
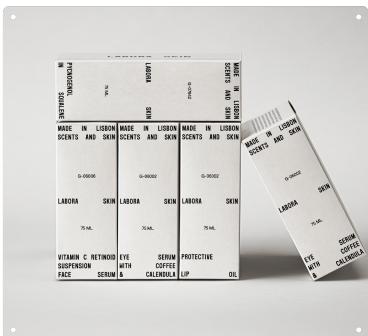
03

Worried that you'll feel foolish or not know what to ask the foundry? Don't be. Type Designers are very nice people devoted to their intricately detailed profession and are experts at what they do. They are happy to educate and support you if needed. Ask as many questions as you need to feel comfortable with your decision.

04

Choosing a font license you don't understand. If you represent a studio licensing a font, you cannot just hand the Font over to the client. When you purchased the font license, you are listed as the licensee. If the client publishes work without obtaining a separate license, risks of legal issues come into play if the true cost of the license isn't settled, along with added friction with the foundry or marketplace you purchased the fonts from. Bloom says, "One of the most common f ont licensing misconceptions comes from design agencies or studios and businesses believing they can freely share their purchased fonts with external suppliers. Nope. Font licenses are generally non-transferable, which means only the person or business who purchased them has a right to use them."

INTRODUCTION TO FONT LICENSING: WHAT TO KNOW

Users / Workstations

Most commonly, the traditional font licensing model asks you to select the number of users or workstations needed. Alternatively, with a web license, you'll be asked to choose how many monthly page views you can expect the site to receive. Many foundries and market-places operate on this structure, but as we've said repeatedly, always check the licensing terms! No two EULAs are alike.

Value Based Pricing.

Some foundries use a value-based model for licenses where pricing is based on the size of the company or client, rather than on the number of people (users) using the font. This reform of the traditional licensing model was created to address the unfairness that foundries saw when small startup companies and large corporations with much greater financial resources were charged the same amount for a font. This kind of licensing allows you to choose the number of employees or workers within your organization who'll be using the font. (Subcontractors and third parties aren't always counted as 'employees' or 'workers,' so it's best to check if you need additional coverage for this usage.)

DIFFERENT TYPES OF FONT LICENSING

Now that we've laid out the basics, let's explore. Here's a quick summary of the different types of licenses out there and what they allow (and don't allow) you to do. As noted, each type foundry, marketplace, or online shop has their own licensing terms. While most are quite similar, there can be crucial differences. Below is a generalised outline followed by a majority of foundries.

Custom fonts.
Bespoke Fonts can be completely tailored to a client's needs, and ensure a unique design outcome since they are created and licensed only to you. Custom fonts offer a guided, personalised experience with one-to-one support from the foundry, and freedom to use the Font in any way the client likes.

Corporate and enterprise license solutions.
If you work for a large international company with hundreds or thousands of employees, you may prefer a permanent and wide-ranging solution for licensing a font. Most commonly, these licenses include rights to install the font at multiple locations globally, without limits on the number of employees and feature several (if not all) types of font licenses wrapped up into a single EULA. Both corporate and enterprise solutions provide businesses with more freedom, removing the risk of licensing violations in the future and reducing financial and legal exposure. You can also request to add specific terms to convert a standard EULA into a custom license.

Desktop.
One of the most common options out there, a Desktop License covers most commercial or non-commercial font usages. A Desktop License enables you to create documents and digital images for print and screen, in programs where you create digital output (like Adobe's Creative Suite, Sketch, or Microsoft Office) and export
it in a range of digital formats. The work can be published on a website, social media platform, or any kind of printed media.

Social media.
More and more foundries now offer a Social Media Licensing option based on the number of followers the licensee has. This license allows a user to create digital images and videos to be published on social media platforms such as Instagram, Twitter, Facebook and TikTok. (In some cases, this usage is covered by a Desktop license on social media platforms.)

Web.
A Web License allows a user to embed the font software into the CSS code of a website, although many web design platforms these days have simpler ways of embedding the font software through plugins and other functions. Web fonts are typically limited by monthly page views or the traffic of users to your web pages. If you exceed the limit stated in your license, you will need to pay the foundry for a higher pricing tier. A common question is whether it's allowable to upload a digital image or GIF that utilizes a font in a web URL environment. The answer is yes, but you must purchase a Desktop License. You do not need a Web License for this usage instance.

Broadcasting / Film / Music Streaming.
A Broadcasting License typically provides you with the right to utilise the font software in digital or physical imagery for broadcast on music streaming platforms and public and/or streamed music events. This type of font license includes album covers, public digital signage screens, digital images, and public-facing videos displayed at events or public, worldwide. It'll also grant you the rights to use the font for video and moving image publicly transmitted through the following formats: Twitch; TV broadcasting; YouTube; movie streaming platforms including but not limited to Netflix, Disney+, Amazon Prime; cinema; cinema advertising; and custom streaming worldwide.

Applications.
An App License allows you to embed a font in the code for desktop or mobile applications on a per-app basis. Costs may increase as the user base grows over time. A Game License is very similar to an App license; font software can be licensed as part of the game's software development. Prices can depend on the number of users it attracts.

Logo / Mark.
A Logo/Mark License typically allows you to use

the font software as part of a design of a logo or an iconic mark that is representative of a company, project, or person, and obtain a trademark for it in common digital formats (JPG, EPS, MP4, and so on). The number of instances where a logo can appear may be restricted in a foundry's EULA, but for the most part, you'll be able to place the logotype on a brand's key cards, business cards, merchandise, website, and social media platforms without incurring any additional costs unless specified by the foundry or marketplace.

E-Publication.

This license provides the right to use the font software in e-books, PDF publications, and digital magazines. Approved formats include PDF, EPUB and AZW. Some foundries and marketplaces have limits on readership, downloads or viewers an e-publication receives.

Product Sales.

And finally, we come to the final licene outline: a Product Sales extension. Rarely visible on a font's product page or checkout, you will likely need to contact the foundry or marketplace directly to discuss licensing for utilising the font(s) on products sold for financial gain. Product sales extension licenses can typically come with a

substantially higher price tag than other licenses, especially for larger production runs or unlimited lifetime usage. This is typically because the font will contribute to the success of the units sold and therefore the foundry will need to be compensated accordingly. These licenses have a limit on the number of products or units you can produce, and usage is typically priced by unit tiers, similar to monthly page view caps for web licenses. Why is it structured this way, you may ask? For example, if a clothing brand purchased a font license for £30 / $30 / €30, and then was allowed to produce 100K units using the font to sell it, priced at £30, that sell out within a year, the company would have turned over 3 million in gross sales. Meanwhile, the Type Designer whose work contributed to the product's success would remain unfairly compensated at £30/$30/€30.

LICENSE BREACHING, AND WHAT TO DO IF IT HAPPENS

License breaches typically happen for one of the following reasons.

🄰🄱 Unanticipated breach.
As an example, you purchase a web license for a 25,000 monthly web page view allowance. Once the launching a project, it does much better than you expected, and in a single month the site ends up attracting 44,000 monthly views, breaching the 25,000-view font license you originally brought. No need to panic, unless no action is taken. Page views are naturally unpredictable, so most foundries and marketplaces will be understanding and offer you an extension from the original license that you purchased, without penalty. In most cases, you may find that the original font license you purchased specifies an allotted time period to reach out to the marketplace or foundry if you exceed the monthly web view or user cap. Keep an eye on usage and be proactive; it's more ethical to reach out and pay up than to make the foundry pursue you.

🄰🄱 Breach by mistake.
Breaches can occur by mistake due to a genuine lack of understanding about how licenses work. This happens all the time, and most foundries and marketplaces will be more than happy to educate you on the proper license for your business without charging a penalty in case of license breach. Naturally, you will have to purchase the correct license to cover your font usage. If some time has passed, and you find yourself in a situation where the wrong license has been purchased, the foundry or marketplace will most likely refund your original purchase and charge the correct license cost without any additional penalties.

Most font licensing structures include an greement to retrospectively settle the appropriate cost of the license in full within a certain time period. The foundry or marketplace has the right to see evidence of on page views per month, application for usage (iOS, Android and other platforms) downloads, and number of users utilizing the font software on computers or other devices.

🄰🄱 Unlicensed breach.
When font software is unlicensed, activated, and used, this is a major breach of the terms of license. Imagine hiring a design studio to complete a project for you, then publishing the work and failing to pay them. You're not a thief, are you? After conducting trials with the font(s) you wish to use, in all instances you must purchase the correct license to cover the planned font usage.

There can be serious consequences to breaching font licenses, typically in the form of litigation. Expensive legal battles are a bad look for your firm, as well as a poor use of time and financial resources. Don't take the risk. The last thing your company will want to face is an intellectual property lawsuit, incurring potentially substantial damage costs.Some licenses grant the foundry or marketplace the right to charge for their time, expenses, and any legal work undertaken in event of a license breach. Do the right thing from the start—always best to secure the correct license prior to publishing!
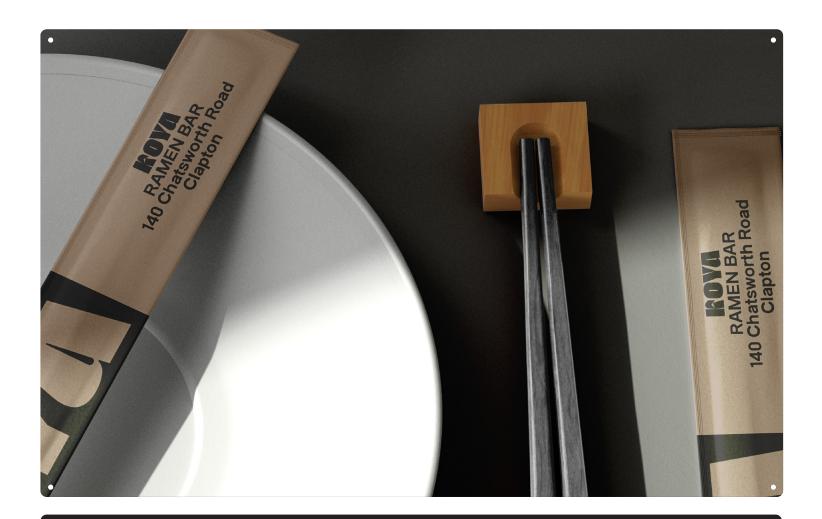
We hope that this resource will increase your understanding and knowledge of how font licensing works, preparing you to obtain the best license for your project.

Our goal is to empower businesses to make the right choices with their font licensing, providing the resources and support needed to navigate this complex landscape with confidence. Thank you for using our guide—here's to your creative success!"

If you have any questions, our team is here to help—simply use the email listed below to contact our team.

Explore our font marketplace at type-department. com for a wide selection of licensed fonts tailored to various creative needs. Additionally, we offer bespoke font creation and typeface customisation services to help you achieve a unique and cohesive visual identity.

Questions? Get in touch

If you have any more doubts, we're happy to help!
Please contact typedepartment@type-01.com and a member of our team will get back to you as soon as possible.