

## **Advertising Agency Alarm**

### **Right of Publicity**

For a national advertising campaign for a large clothing manufacturer/designer, an advertising agency negotiated a license for the broadcast and publication rights relating to a breathtaking location at a private residence in Los Angeles. Unfortunately, Internet rights were not included within the licensing agreement. The advertisement appeared in traditional media, as well as on the manufacturer's web site. The manufacturer was sued by the property owner for right of publicity. (The property was well known). The advertising agency stepped in to protect the interests of the client. The case was eventually settled after spending significant sums in legal expense – low six figures.

### **Negligence**

An advertising agency inadvertently transposed a client's phone number in a print advertisement published in a large daily newspaper. Callers were to receive a free product for calling the number. Because of this little mistake, a small dentist's office was deluged with calls disrupting its business. The advertising client was unhappy because it had "staffed-up" in preparation for all of the calls, which were never forthcoming. With the help of insurance, the advertising agency indemnified its clients for the loss and reimbursed the dentist for its lost business for the day.