

Distributor Distress

Copyright Infringement

A local cable station broadcast a weekly program specializing in Middle Eastern content. During its program, the cablecaster broadcast two music videos, which were produced by a third party. A claimant alleged that the videos used snippets of unlicensed footage and initiated a copyright infringement claim against the deep-pocket distributor as the producer was financially insolvent and did not have insurance. Even though the distributor of the content was an innocent infringer, he and the insurer were ultimately responsible for legal fees and loss in excess of \$300,000. It is important for all parties in the distribution chain, including the producer, to carry insurance.