



Professional Indemnity

Breach of Copyright and/or Design Registration

The Insured is an importer and distributor of stationery products and supplies. It held a standard Public Liability insurance. At the request of one of its customers, the insured arranged for the manufacture and supply of filing racks similar to another product supplied to the customer by another manufacturer. The price of the insured's product was more competitive.

The insured failed to make reasonable efforts to determine if any Patent, Copyright or Design Registration existed on the specific rack design in question.

The other manufacturer issued proceedings against the insured for significant damages arising from infringement of Copyright and/or Design Registration and the insured submitted a claim under its Public Liability insurance. The claim was defended by VL and an agreed out of court settlement was negotiated.

