

ExecutivePerils

11845 West Olympic Boulevard • Suite 750 • Los Angeles • CA • 90064
T:310-444-9333 • F:310-444-9355 • Web: www.eperils.com • CA Lic# 0E36308
dba: Executive Perils Insurance Services

Cyberspace Claims Scenarios

- 1) An on-line news service created a Web site (called “host site”) which contained links to numerous other Web sites (called “target sites”) maintained by traditional print and broadcast media companies. When users clicked on the links to the target sites, they were not linked to the full site but instead, found a “framed” version of it. Those “framed” versions of the target sites contained abbreviated content from the target sites without their identifying URL’s overloaded on the host site was “a parasitic Web site that republished the news and editorial content of other’s Web sites in order to attract both advertisers and users.” (*Washington Post Co. v. Total News, Inc., 97 civ. 1190, S.D.N. Y 2/20/97*).
- 2) An on-line direct marketing company sent e-mail solicitations for its clients to all users of a commercial on-line service provider. The commercial on-line service provider sued the on-line marketing company for trespassing. The court hearing the case found that the on-line marketing company was liable for trespass and damage to the service provider’s good will. (*CompuServe, Inc. v. Cyber Promotion, Inc., No. C2-96-1070, S.D. Ohio 2/3/97*).
- 3) A commercial on-line service allowed a famous author to advertise his book in one of its forums. The on-line service was sued for copyright infringement by an artist who claimed that the author used certain artwork on the cover of his book without the artist’s permission (the cover of the book was digitally displayed in the on-line service’s forum). (*Padreicia Andre v. Matthew Margolis, Prodigy Services Corp., etal, No. CV-97-994, C.D. CA 3/24/97*).
- 4) In 1981, Playboy magazine obtained a trademark injunction against an Italian magazine titled Playmen from distributing its magazine in the United States. When Playboy recently discovered that Playmen had opened a Web site, and that users in the U.S. were allowed to download stories and photos from Playmen by using this Web site, it sued the Italian publisher for violating the injunction. The court found the Italian publisher liable for violating the injunction, and held that the publisher was required to prohibit downloading of stories and photos by U.S. consumers.
- 5) A maker of stick-on note pads sued a large software company for trademark infringement. The lawsuit alleged that an office management program released by the software company contained a command which allows a user to affix the electronic equivalent of a stick-on note pad to text created using the program. (*Minnesota Mining & Manufacturing Co. v. Microsoft Corp., D. MN. 1996*).

These scenarios are not intended to be interpreted as coverage positions. Coverage for any given claim is based upon its facts and the specific terms and conditions of the policy.