



Design Professionals: Protect Yourself Before Agreeing to Replace an Existing Design Professional at a Project

By Steven R. Goldstein, Esq.¹

While design professionals have every intention of completing their services at a project, for any number of reasons the services of the design professional may be terminated and a new design professional substituted in their place to complete the project. Under such circumstances, it is imperative that the new incoming design professional take the appropriate steps necessary to protect themselves against potential claims by the outgoing design professional. Under such circumstances, the outgoing design professional may pursue a claim for damages against the incoming design professional alleging copyright infringement as the result of the unauthorized use by the new design professional of the prior design professional's project drawings. This often occurs when the new design professional is provided a copy of the prior design professional's drawings and uses such drawings to complete the necessary project drawings.

Pursuant to the controlling copyright statute and related case law, lack of knowledge or intent is not a defense to copyright infringement. Therefore, a design professional substituted into a project is not absolved of liability for copyright infringement even if the design professional was an innocent infringer and argues that he or she did not have knowledge that they were infringing on the copyright protection of the initial design professional. Such damages can be statutory in nature resulting in up to \$150,000 per infringement, or non-statutory actual damages which are often in the form of unpaid services and a licensing fee owed to the original design professional.

With the knowledge that a potential copyright claim may be asserted by the outgoing design professional, against the incoming design professional, it is essential that the incoming design professional take the appropriate steps necessary to prevent such a claim. In this regard, before performing any services at the project, including taking possession of the prior design professional's project drawings, the incoming design

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professional should obtain, in writing, from both the outgoing design professional and the project owner, permission to use the project drawings. As a further protection, the design professional should request indemnification from the party providing the project drawings for any copyright infringement claim resulting from the new design professional's use of such drawings.

In many instances the owner (or other party who contracted with the outgoing design professional) and the outgoing design professional enter into a Settlement Agreement which provides, among other things, that in return for an agreed upon monetary payment to the outgoing design professional, the outgoing design professional provides a limited license for the use of the drawings at the subject project. Proceeding in this manner provides protection, in written form, from both the prior design professional and the party providing the drawings to the new design professional.

CONCLUSION

The time and expense associated with a design professional taking the appropriate steps necessary to protect its interests against a potential copyright infringement claim under these circumstances is certainly far less than that which will be incurred litigating such a claim. Therefore, it is in the best interests of the incoming design professional to communicate with an attorney well versed in this area in order to negotiate the appropriate written consent and indemnification documents to fully protect the interests of the design professional before proceeding with any services at the project as the substituted design professional.

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