

## **Musicians and Writers Sue GM and Ford for Copyright Infringement**

An alliance of music copyright owners sued General Motors Co. and Ford Motor Co. for infringement by not paying royalties for the devices installed in their cars that record CDs.

The Alliance of Artists and Recording Companies, Inc. (AARC) alleges that the auto makers and their suppliers are liable for copyright infringement for audio equipment in the vehicles, which records music from CDs and stores it in the device for use by the car's owner. The AARC complaint contends that under the Audio Home Recording Act of 1992, the auto makers are immune from copyright infringement for the devices only if the recording devices incorporate certain copying control technology and the manufacturers pay a modest royalty per device. The royalty payment must be made to the U.S. Copyright Office, which then distributes the proceeds to musical artists and music copyright owners.

AARC alleges that neither GM nor Ford—or their suppliers, Denso International America, Inc. and Clarion Corporation of America—registered the devices or paid the royalties even though other manufacturers do register and submit royalty payments to the Copyright Office.

The alliance requests an injunction barring the defendants from distributing the devices until the devices are registered and royalties paid. The lawsuit also seeks actual damages equal to the unpaid royalties for the past three years, statutory damages of \$2,500 per device, and attorneys' fees.

*Alliance of Artists and Recording Companies, Inc. v. General Motors Co. et al.*, D.C. No. 14 CV 1271.