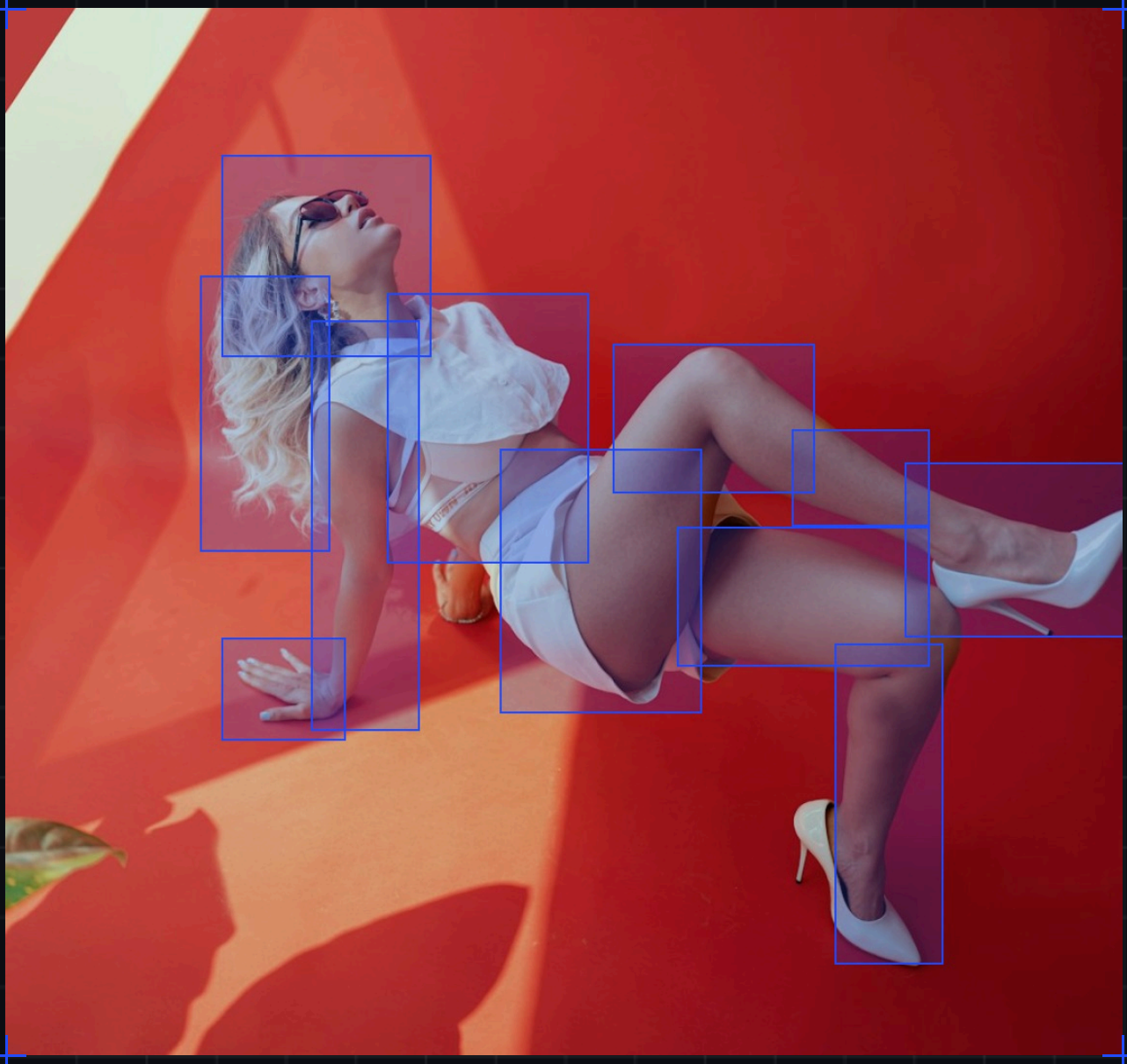
The Hidden IP Time Bomb Sitting in Your Marketing Stack



STATUTORY DAMAGES

$150K

statutory damages per song, per infringement

SINGLE ACTION

$139M+

potential exposure in a single brand enforcement action (Sony v. Marriott, 2024)

UNTRACKED

~50%

of licensed creative assets are never tracked after production

SECTION 01

The problem nobody is talking about

Enterprise brands spend hundreds of millions producing creative content every year. A significant portion of that content carries undetected intellectual property risk — and the brand, not the agency, will be the one writing the cheque.

Copyright enforcement is accelerating. Rights holders — particularly major music labels and talent agencies — have moved from occasional cease-and-desist letters to systematic, high-value litigation strategies targeting the brands they deem most able to pay. The results are settlements in the tens of millions, reputational damage, and content takedowns that disrupt live campaigns mid-flight.

This whitepaper sets out why this is happening, what the law actually says about who is responsible, and what the data tells us about the scale of the problem sitting inside most large marketing organisations right now.

SECTION 02

Four things your team believes that are categorically wrong

Before examining the mechanics of the problem, it is worth confronting four beliefs that appear with remarkable consistency across enterprise marketing and legal teams — and that leave brands dangerously exposed.

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01

MYTH

"Our agency or influencer is responsible for rights violations."

REALITY

Copyright infringement is a strict liability offence. As the brand that publishes, distributes, and financially benefits from the content, you are directly liable — regardless of who created it or what your contract says.

Case reference: Sony Music v. DSW (2025) — DSW claimed influencer partners had handled rights clearance. Sony filed suit seeking $150,000 per track infringed.

02

MYTH

"Our DAM / central system is keeping track of every licensed asset."

REALITY

Research consistently shows that approximately 50% of licensed creative assets are never ingested into a central system. They live in agency drives, production folders, email threads, and unsanctioned tools — invisible to rights management workflows.

The result: content is republished, repurposed, or left live after licences expire, with no one inside the brand aware of the exposure.

03

MYTH

"We have people assigned to protecting the brand around the clock."

REALITY

Most brands have no automated detection capability for unlicensed music, expired talent rights, or out-of-territory usage. Manual review processes, where they exist at all, cover a fraction of active content — and nothing in the long tail of legacy or agency-produced material.

Case reference: Sony v. Marriott (2024) — Marriott's exposure spanned hundreds of social videos, many produced by external partners, none of which had been systematically reviewed.

04

MYTH

"If there is a violation, the fine will be manageable."

REALITY

US copyright law provides for statutory damages of up to $150,000 per work infringed — without any requirement to prove actual loss. A campaign using 10 unlicensed tracks across multiple channels can generate $1.5M in statutory exposure before a single legal cost is counted. Rights holders pursue joint and several liability, meaning the full amount can be recovered from the brand alone.

Case reference: NBA Teams litigation (2024–2025) — 14 teams faced $150,000 per track across hundreds of social clips. The total exposure ran into hundreds of millions.

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SECTION 03

Why this is happening: the breakdown of the creative feedback loop

The root cause is structural, not behavioural. Enterprise marketing organisations have grown in complexity faster than the systems designed to govern them. The typical large brand now operates across dozens of agencies, production houses, freelance networks, and internal teams — all producing content simultaneously, all operating in loosely connected toolchains.

The ~50% loss rate

The creative asset lifecycle in most large organisations looks approximately like this: a brief is issued, content is produced, some of it is approved, some of it goes to market, and a fraction of it is ever captured in a system with accurate metadata — including rights and licensing information.



The untracked half arrives with no rights record attached.

Industry data and Medialake's own analysis of client environments consistently shows that around half of all licensed creative assets are never properly tracked. They arrive from agencies as final deliverables, get uploaded to shared drives or distributed directly to channel teams, and enter the market with no attached rights record. When the licence expires — or when it transpires that the rights were never properly cleared in the first place — there is no system in place to detect it.

The metadata problem

Even where assets do reach a DAM or central repository, the metadata is frequently incomplete or inaccurate. Licensing information is often held in separate contract management systems, or in PDF certificates buried in agency correspondence. The connection between the asset and its rights status is manual, fragile, and rarely maintained after initial upload.

The practical consequence is that content teams routinely republish, repurpose, and localise assets without any reliable way of knowing whether the underlying rights still apply — or whether they ever did.

The channel proliferation problem

Social platforms, programmatic channels, connected TV, digital OOH, retail media — the surfaces on which content appears have multiplied dramatically. Creative produced for one market gets deployed across dozens. A track cleared for UK broadcast gets distributed globally through social channels without anyone flagging the territorial restriction.

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Rights holders — particularly music labels — have invested heavily in automated detection technology. They know when their content is being used commercially. Brand internal processes have not kept pace.

SECTION 04

The enforcement reality: recent cases

The following cases are not outliers. They are indicative of a systematic enforcement strategy being deployed by rights holders against enterprise brands.

SONY V. MARRIOTT

SONY MUSIC V. MARRIOTT INTERNATIONAL · 2024

$139M+ Potential statutory exposure. The case settled privately in late 2024.

- Sony alleged that hundreds of unlicensed tracks had been used across Marriott's social media content, much of it produced by external agencies and influencers.
- Marriott's 'we didn't upload it' defence was immaterial — as the commercial entity benefiting from the content, Marriott carried direct and vicarious liability.
- Potential statutory exposure exceeded $139 million. The case settled privately in late 2024.

> **Key lesson:** Scale of social content production makes systematic rights management essential, not optional.

SONY V. DSW

SONY MUSIC V. DSW · 2025

$150K Sought per track infringed.

- DSW used unlicensed tracks across TikTok and Instagram — including via influencer partnerships — labelling posts as "original sounds" to obscure the infringement.
- Sony filed suit in August 2025 seeking $150,000 per track infringed.

> **Key lesson:** Sponsored influencer content is treated as brand content in the eyes of the law. If they post it on your behalf, you own the liability.

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PUBLISHERS V. 14 NBA TEAMS

MAJOR PUBLISHERS V. 14 NBA TEAMS · 2024–2025

14 NBA franchises sued, with statutory exposure per team running to tens of millions of dollars.

- Music publishers filed against 14 NBA franchises — including the Knicks, Heat, and Spurs — for unlicensed music used in social highlights and promotional content.
- Much of the content had been produced by internal social teams or external agencies using platform music libraries licensed only for personal, not commercial, use.
- Statutory exposure per team ran to tens of millions of dollars. Teams were forced into quiet settlements.

> **Key lesson:** Platform music libraries (TikTok Sounds, Instagram Music) are not commercial licences. Using them on a brand account is an infringement.

SECTION 05

Why your indemnity clause won't save you

Most brand contracts with agencies and production companies include an indemnification clause — a provision requiring the vendor to cover the brand's costs in the event of a rights violation they caused. This gives many legal and procurement teams a false sense of security.

Here is what an indemnity clause actually does, and does not do:

WHAT IT DOES	WHAT IT DOES NOT DO
✓ Entitles you to demand the vendor pay your legal defence costs	× Prevent the rights holder suing you directly
✓ Gives you the right to recover damages you pay to the rights holder	× Keep your brand out of court filings or public enforcement actions
✓ Creates a paper basis for a subsequent claim against the vendor	× Stop content takedowns from disrupting live campaigns
	× Pay out if the vendor is insolvent, restructured, or simply refuses to comply

The joint and several liability principle makes this particularly acute. A rights holder can recover 100% of a damages award from the brand, regardless of the vendor's role — because the brand is the deeper pocket. Recovering those funds from the vendor via indemnity is then a separate, often protracted legal process with no guaranteed outcome.

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SECTION 06

How Medialake closes the gap

Medialake is a creative intelligence platform purpose-built for enterprise marketing organisations. It addresses the structural problem — not the symptom.

Visibility across the entire asset universe

Medialake connects to every system in the marketing stack — DAMs, production drives, agency repositories, paid media platforms, social channels — and builds a unified view of every creative asset in existence. Not just what has been formally ingested. Everything.

This eliminates the ~50% blind spot. For the first time, rights and compliance teams can see the full landscape of what is in market, what rights attach to it, and when those rights expire.

Out-of-the-box compliance detection

Medialake's AI detection identifies unlicensed music usage, celebrity and talent appearances requiring licensing, and out-of-territory deployments — automatically, at scale, and continuously. Not a quarterly audit. Continuous monitoring.

When a risk is identified — an asset with expired licensing data still live on a brand's social channels, for example — it is flagged immediately for review, with full context: which channels, which markets, what the rights status is, and what action is recommended.

Creative performance intelligence

Compliance is one dimension. Medialake also connects rights data to performance data — enabling brands to understand not just what is safe, but what is working. Assets that are proven performers with cleared rights can be surfaced for reuse and localisation, reducing production cost and protecting budgets.

In a documented case with a Fortune 100 beauty brand, Medialake identified $2.5M of unused content from a $10M campaign and helped reallocate spend to proven creative, lifting ROI by 42%.

UNUSED CONTENT FOUND [OF A $10M CAMPAIGN]

$2.5M

of unused content identified for a Fortune 100 beauty brand

ROI LIFT [AFTER REALLOCATION]

42%

lift in ROI after spend was reallocated to proven creative

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A system of record, not another tool

Medialake is not a DAM replacement. It is the intelligence layer that sits above the existing stack — connecting, enriching, and interrogating the data that already exists, without requiring brands to consolidate into a single system.

Implementation is non-disruptive. Medialake's proof-of-concept engagement delivers a full 'State of the World' report — covering asset universe, compliance exposure, utilisation rates, and a prioritised action plan — within weeks of onboarding.

> **The question for every enterprise CMO is no longer whether this risk exists in their organisation. It is how long it will take to find out the hard way.**

Full visibility into creative usage, risk and performance

Get a live demo