

Technology E&O Claims

Cutting-edge expertise tailored to meet the ever-changing needs of our MediaTech policyholders on a claim-by-claim basis.

Fast-changing industries confront fast-changing risks. According to IBM, 90% of the world's data has been created in the last two years. Companies are leveraging technology to find new ways to generate, record and analyze data in order to drive efficiencies and create new opportunities for their business and their clients. The proliferation of data, the evolution of technology and greater demands on service providers have led to a rapidly developing legal landscape.

Our cyber & tech claims team understands the emerging liabilities and complexities of this world, and we partner with our insureds to secure the best outcome on claims. For over ten years, cyber & tech claims has handled thousands of E&O claims, including matters involving software implementation, hardware defects, intellectual property and media issues and professional services disputes of a broad range of industry verticals. Our claims experience and international capabilities include mediation, arbitration and

litigation for insureds in the US, Canada, UK, Europe, Middle East, India, Asia Pac, Australia and South America.

Cyber & tech claims managers, primarily skilled litigators, understand the complex claims that arise in evolving technology. Cyber & tech claims closely tracks emerging, novel and concerning liability and litigation trends and publishes a quarterly newsletter to highlight thought leadership to the broking community. Our goal is to partner with our policyholders and brokers to provide information on trends and defense counsel, collaborate on claims resolution strategy and proactively manage claims for optimum results.

Claims team of the year

Cyber & tech claims won Claims Team of the Year at the 2019 Commercial Insurance Awards

Our cyber & tech underwriters sell policyholders a promise to help solve the ever-changing E&O issues they face. The cyber & tech claims team partners with our insureds, leveraging our evolving experience and expert resources, to make good on that promise.



Case studies

Tech failure to implement action

- A developer of electronic health records (EHR) solutions was sued for failure to properly implement an EHR solution by a customer healthcare institution. In discovery, Beazley learned the plaintiff had obtained significant “meaningful use” dollars from the federal government as part of a program incentivizing the healthcare sector to implement EHR technology, then found the customer’s signed meaningful use application and confronted the plaintiff with its application. Part of the application certified to the federal government that certain EHR solutions were in place. Beazley argued that if statements in the application were true, then certain allegations against the defendant developer could not be true. Beazley and defense counsel were able to leverage the statements in the application to reduce the plaintiff’s settlement demand from several million dollars to the low six figures.

Suit for faulty software platform

- A software company developed a platform for a telecommunications company to analyze their customers’ broadband usage. The telecommunications company experienced an issue with the platform that led to the incorrect recording of the data usage. As a

result, almost 100,000 customers had their broadband data usage incorrectly recorded. After the telecommunications company settled with a regulator to compensate the impacted subscribers, Beazley worked with the insured software company to retain expert defense counsel and resolve the matter.

Suit for delayed dispatch system

- A technology company that had contracted to deliver a computer-assisted transportation dispatch system was sued for failure to deliver a timely, efficient system. The claimant alleged that the delayed delivery caused significant damages. Beazley supported the company’s efforts to reach an early settlement, and the insured was able to negotiate a quick resolution of the matter. Beazley paid more than \$3 million combined in defense and toward the settlement.

Copyright infringement dispute

- A mid-sized software company purchased developer and distribution licenses for certain computer code and used that code in one of their products. An employee of the insured software company determined (incorrectly) that the company no longer used the software in its products and terminated the license. Subsequently, the insured was sued for copyright infringement. Damages sought were

in excess of \$20 million. Beazley worked closely with defense counsel to reach an early settlement to avoid a protracted and costly trial, and ultimately convinced the plaintiff to settle for just over \$6 million.

Software failure

- A healthcare consulting company was sued alleging that software developed by the insured technology company malfunctioned and resulted in errors in submitting claims to insurance companies for reimbursement. Claimant alleged if the software worked properly, the claims would have been covered by insurance. Beazley was able to assist the insured in negotiating defense counsel rates as well as a lower than expected settlement.

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