

NO INDEMNITY: ReNu Solar Loses Effort to Obtain Default Judgment Against TechMedia Group and It Highlights the Issue With Indemnity Agreements

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So here's one you haven't heard before.

Company buys lead, makes calls, gets sued under the TCPA.

Ok ok you've heard THAT one before.

But then company sues lead seller for indemnity and lead seller doesn't show up in court. Company seeks default judgment against lead seller.

What result?

Well in *Jackson v. Renu*, 2025 WL 1162491 (M.D. Pa. April 21, 2025) the Court held no judgment against the seller is possible until the underlying TCPA defendant actually tasted defeat in the TCPA case.

In *Jackson* the contractual agreement between ReNu and TechMedia called upon TechMedia to comply with the TCPA and indemnify ReNu for any judgment that was entered against it. But since no judgment has yet been entered against ReNu the Court found TechMedia did not yet owe ReNu indemnity.

Ouch.

Notably the judgment probably could have (should have) asked for recovery of attorneys fees but apparently ReNu's lawyers didn't advise the court of whether ReNu had chose its own lawyers to defend it or those chosen by TechMedia. So NO award was entered at all.

My goodness.

Setting aside the potential screw up here, *Jackson* underscores a huge problem with indemnity agreements in lead generation. Lead buyers often assume such agreements make them bullet proof against suit.

Ridiculous.

The lead buyer that made the call is always the first one to be sued and a mere indemnity agreement does not mean the buyer will be out of the case. AT BEST it means the lead buyer will recover money against the lead seller one day. But as *Jackson* points out that “one day” is usually after the lead buyer has already faced a potentially massive judgment.

Not good.

Relying on indemnity agreements in lead gen contracts is NOT a smart path folks. Yes, you still need to include those terms in your contracts but VETTING your vendors and working with QUALITY PARTNERS you can trust (preferably those that abide by the R.E.A.C.H. standards) is essential.

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National Law Review, Volume XV, Number 113

Source URL: <https://natlawreview.com/article/no-indemnity-renu-solar-loses-effort-obtain-default-judgment-against-techmedia>