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Vienna, WV

**Total Distribution, Inc.**  
Jacksonville, FL  
Atlanta, GA  
Charlotte, NC  
Winston-Salem, NC  
Bayonne, NJ  
Akron, OH  
Belpre, OH  
Brook Park, OH  
Canal Winchester, OH  
Canton, OH  
Cleveland, OH  
Clyde/Fremont, OH  
Columbus, OH  
Dayton/Vandalia, OH  
Groveport, OH  
Mogadore, OH  
Orrville, OH  
Shelby, OH  
Strongsville, OH  
Tallmadge, OH  
Wooster, OH  
Greer, SC  
Greenville, SC  
Moncks Corner, SC  
Simpsonville, SC  
Spartanburg, SC  
Norfolk, VA  
Salem, VA  
Charleston/Nitro, WV  
Huntington, WV  
Kenova, WV

**Total Distribution**  
**Brokerage Service, Inc.**  
Massillon, OH

**Central Warehouse**  
**Operations, Inc.**  
Midland, MI  
Saginaw, MI

**P-C Sales & Service, Inc.**  
Barberton, OH

# Peoples Services, Inc.



March 11, 2025

The Honorable Brian Lampton, Chair

House Insurance Committee

77 S. High Street, 13<sup>th</sup> Floor

Columbus, OH 43215

## **RE: House Bill 105 – Written Proponent Testimony**

Chair Lampton, Vice Chair Craig, Ranking Member Tims, and members of the House Insurance Committee, thank you for the opportunity to provide written proponent testimony on HB 105.

My name is Doug Sibila, and I am the President and CEO of Peoples Services, Inc. (PSI). In this letter, I am also representing the Ohio Business Roundtable and its over 125 CEOs. Collectively members of the OBRT employ over 600,000 Ohioans and generate revenue of more than \$2.5 trillion contributing significantly to Ohio's economy through job creation, investment, and tax revenues that support our local communities throughout the state. We strongly support HB 105 and the need for further transparency and fairness in Ohio's legal system regarding third party litigation funding (TPLF). TPLF distorts the legal process for financial gain, limits fairness, and increases the costs to do business at the expense of the consumer and Ohio businesses.

To provide some background, PSI is a third-generation family business operating in nine states headquartered in Canton, Ohio. We are an Employee-Owned Stock Ownership (ESOP) company providing transportation and warehousing related services for many Ohio based businesses. We have over 1,000 employees and seventy-five locations, operating 120 trucks. We have thirty-nine locations in Ohio and employ 550 people in Ohio. In addition to the OBRT, we are also involved in other community organizations including Team NEO, the Ohio Trucking Association, International Warehouse Logistics Association, Aultman Heath Foundation, and the Stark Economic Development Corporation.

One of the key strengths of HB 105 is the focus on protecting consumers from potential abuse in litigation funding. It is fundamentally wrong to twist the civil litigation system which is designed to make people whole when wrongfully injured and transforming it into an investment vehicle for parties not wronged. Even though the original parties may be willing to settle, the third party's interest in maximizing their investment, causes litigation to be unnecessarily prolonged and costly. These third parties have no fiduciary duty to the plaintiffs but only seek to maximize their profits. This increases total cost and in turn, adds to an already overburdened court system and delayed justice for plaintiffs and defendants alike. HB 105 prohibits these unfair practices, which also includes referral fees and false advertising, by preventing third-party funders from exerting control over case strategy, particularly in situations where they prioritize profit over the interests of the plaintiffs. HB 105 ensures that our legal system remains focused on justice rather than financial gain.

In an October article from the U.S. Chamber of Commerce, they state "third party litigation funding operates largely in secret to maximize profits at the expense of the legal system, plaintiffs, defendants and consumers." According to the same article, there is evidence that these third parties include sovereign wealth funds and foreign interests unfriendly to the United States. That is why I am also supportive of banning third-party litigation agreements with foreign actors altogether.

While I am supportive of the provisions in HB 105, I believe more can be done to prevent the harm that TPLF causes in our legal system, here are my proposed solutions:

1. Ban third party litigation funding altogether.
2. If not ban TPLF, then cap third-party fees to minimal amount of the award (10%).
3. Make parties disclose any third-party agreements or actors—like how defendants must provide copies of their insurance policies and limits.
4. Prohibit the direction by third parties to strategize or provide witnesses.

I believe the results of banning (or at least limiting TPLF) would increase fairness to all parties, improve predictability and consistency risk, and result in lower insurance costs to operate in Ohio. It would reduce inflated damages related insurance rates and avoid the potential of carriers dropping coverages all together.

Thank you for your time and consideration.

Sincerely,

Douglas J. Sibila  
President/CEO  
Peoples Services, Inc.