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Canton, OH
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Parkersburg, WV
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.



February 26, 2025

Chair Manning, Vice Chair Reynolds, Ranking Member Hicks-Hudson, and members of the Senate Judiciary Committee, thank you for the opportunity to provide proponent testimony on SB 10. My name is Doug Sibila, and I am the President and CEO of Peoples Services, Inc. I am also representing the Ohio Business Roundtable and its over 125 CEOs. We strongly support SB 10 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, we are 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 Ohio Business Roundtable, 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 SB 10 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. SB 10 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. SB 10 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 SB 10, 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. I would be glad to answer any questions at this time.

Sincerely,

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