OHIO NEWSPAPER ASSOCIATION | 1335 DUBLIN ROAD, SUITE 216-B | COLUMBUS OH 43215
DENNIS R. HETZEL, EXECUTIVE DIRECTOR

July 7, 2015

The Honorable Rob Portman
448 Russell Senate Office Building
Washington, DC 20510

Dear Senator Portman:

The Ohio Newspaper Association wishes to express our position on two items Congress is considering: the proposed vast expansion of overtime eligibility and legislation to rein in so-called "patent trolls."

The overtime item is very serious. While the intent may be laudable, more-than doubling the threshold for exempt status to $50,440 annually will present a significant burden for our 200 member newspapers and affiliated websites.

There are hundreds of employees with legitimate supervisory authority making less than $50,400 in all departments of many Ohio newspapers, up to and including editors, general managers and ad directors in some cases. This is particularly true in smaller communities. That speaks first to the lower cost of living in these communities. At a minimum, we would strenuously argue that the $50,440 figure is much too high a threshold.

It also is no secret that newspapers face economic challenges. Our industry is working feverishly to develop sustaining revenue models so that we can continue to provide the local journalism that Ohio citizens want and need across multiple platforms. The impact of this proposed change by the Obama Administration will be direct and harmful to our members. The capacity to raise pay, authorize more overtime and otherwise absorb increased expense simply isn't there in many cases. Readers will feel the impact of inevitable cutbacks to news coverage, delivery service and other areas.

This also will ripple out in harmful ways to many of our advertisers – local businesses and entrepreneurs themselves in many cases – who will face the difficult choice of increasing expense, cutting staff or doing both. No matter what, their available resources to grow their businesses through advertising and marketing will be diminished.

We urge you to do what you can to compel the administration to take a more nuanced and thoughtful approach.

Regarding patent troll legislation, the ONA joins with numerous business groups in support of the Innovation Act of 2015 (H.R. 9), which targets abuses by so-called patent trolls. Abusive patent litigation is a problem that continues to grow. Some Ohio newspaper groups have been targets of this legislation in the area of software applications purchased from vendors.

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These lawsuits are often based on vague, misleading, or tenuously related patents. Many of these patents date back to the 1980's and 1990's and have had multiple owners with minimal or no continuing involvement of the actual inventor. Currently, there is little downside to the patent trolls filing a lawsuit to collect "easy money," and that is why this legislation is so important.

The Innovation Act includes a number of reforms that will close the loopholes that allow patent trolls to thrive. If passed, the proposed bill would make it so that patent infringement lawsuits could only be brought in judicial districts where either party has an established presence – an important element, as patent trolls are known to seek out judicial districts where they feel they have a higher likelihood of success. It would protect innocent customers by ensuring that claims between a patent owner and a manufacturer proceed before claims between the patent owner and the manufacturer's end users.

The bill also would instruct the courts to develop rules and procedures to reign in high discovery costs that patent trolls use to force unwarranted settlements from innocent defendants. A losing party who brings a frivolous case would pay the other side's attorneys' fees.

As always, we thank you for your consideration. We welcome any follow-up questions or comments you may have.

Sincerely,

Dennis Hetzel
Executive Director
Ohio Newspaper Association

cc:
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