

CLIENT ALERT

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Ohio Courts Have Personal Jurisdiction Over Out-of-state Residents for Defamatory Statements on the Internet

The Ohio Supreme Court has ruled that an Ohio business may sue an out-of-state resident for defamatory statements made on the internet. The defendant, a thirty-year resident of Virginia, had never been in Ohio. He purchased an engine block that he had viewed on the plaintiff's website. A dispute arose between the plaintiff and defendant as to whether the engine block was defective when sold or was modified after purchase. The out-of-state defendant posted numerous rancorous criticisms of the Ohio business and its principal on automobile racing websites.

The Court ruled that the exercise of jurisdiction by an Ohio court over the defendant did not deprive him of his right to due process under the 14th Amendment to the U.S. Constitution. The defendant argued that there was no jurisdiction over him because he had neither directed the tortious statements to Ohio nor published them here. In ruling in favor of the Ohio business, the Supreme Court made three significant findings. First, the defendant's statements concerned the plaintiff's *Ohio* activities, i.e., Ohio is where the plaintiff does all its manufacturing and warranty work. Second, the defendant not only knew that his statements could damage the plaintiff's reputation, he intended such damage to the plaintiff—even though he felt justified in doing so. Third, the statements were predicated on the business dealings between the defendant and the plaintiff; the personal jurisdiction was not based on some unrelated contacts within this state.

The Supreme Court concluded, "We decline to allow a nonresident defendant to take advantage of the conveniences that modern technology affords and simultaneously be shielded from the consequences of his intentionally tortious conduct." *Kauffman Racing Equipment, LLC v. Roberts*, 2010-Ohio-2551 (June 10, 2010), ¶74.

This decision will be reassuring to businesses and individuals in Ohio who are concerned that their good reputations might be unfairly attacked in public website forums and blogs by disgruntled out-of-state persons with whom they have done business on the internet.

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