

Court Weighs Dismissal of HuffPo Suit — Implications for Hyperlocals

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A Federal Court in New York City is holding a hearing this afternoon to decide whether it will dismiss a lawsuit filed against the Huffington Post by unpaid writers and contributors who claim they're entitled to a share of the proceeds from AOL's 2011 purchase of the news site. The Huffington Post claims that agreements with these writers block the lawsuit.

The ruling may affect the future of hyperlocal publishers' relationships with their contributors. The court in the Huffington Post case will consider questions such as whether online agreements are binding and whether the writers have a legal basis to claim a share in the sale price of Huffington Post to AOL.

Writer Jonathan Tasini, filmmaker Molly Secours, writer Tara Dublin, author **Richard Laermer** and sports journalist Billy Altman filed a **class action lawsuit** against the Huffington Post and Arianna Huffington, alleging that Huffington profited unjustly **when AOL bought the company** while its many contributors received nothing. The writers allege they contributed articles without compensation and the contributions significantly added value to the Huffington Post. AOL acquired the Huffington Post for \$315 Million in 2011. The writers are demanding \$105 Million.

"Huffington Post built its considerable brand on the backs of talented, hard-working writers, each of whom deserves fair compensation for their contribution to the sensational success of the entity," explained plaintiffs' attorney Jeff Kurzon of Kurzon LLP.

Today the court is considering the Huffington Post's **motion to dismiss** the writers' complaint. In its Motion to Dismiss, the Huffington Post emphasized that all writers agreed to the Terms and Conditions of the Huffington Post's website. In its court filings, the Huffington Post declared that terms and conditions "make clear there was no expectation of monetary compensation between the parties in exchange for the content provided." Huffington Post's

motion added that plaintiffs such as Mr. Tasini submitted posts for five years without complaining, and that he submitted articles “for the exposure the posting on The Huffington Post platform would give him.”

It’s unlikely that a ruling will come today, but once the court issues its decision, it may affect hyperlocal publishers’ relationships with contributors who provide content as volunteers and without compensation. The key battle line in the Huffington Post case is whether the Huffington Post’s browsewrap and click-through licenses are enforceable against the writers. Huffington Post contends the agreements are binding, but the writers claim they never manifested assent to the “phantom” agreements. For hyperlocal publishers, it is imperative that expectations between the publisher and the contributors are set in writing. This can be accomplished on paper or electronically, such as by using click-through agreement or other forms of electronic contracts.



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