

CORPORATE STATEMENT

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Texas Supreme Court Denies Petition for Review of Defamation Lawsuit Against Harvest House Publishers and Authors John Ankerberg and John Weldon

On December 1, 2006, the Texas Supreme Court denied review of the Local Church and Living Stream Ministry's \$136 million libel lawsuit against Harvest House Publishers and authors John Ankerberg and John Weldon. At issue in the case was the book *Encyclopedia of Cults and New Religions* (ECNR), which The Local Church claimed was defamatory of them.

The Local Church was appealing a January 5, 2006 ruling from the Texas Court of Appeals (First District), which declared, "The gist of the church's complaint is that, by calling it a 'cult' and including a chapter on it in the book, the publisher and authors have accused it of every 'immoral, illegal and despicable action' mentioned in the book. However...nothing in the book singles out the church as having committed [these actions]....Simply being included in a group with others who may have committed such...actions does not give rise to a libel claim."

After the appellate court denied The Local Church's request for a rehearing, the group appealed to the Texas Supreme Court, alleging that the appellate court had erred by blurring the line "between actionable defamatory conduct...and protected comments about religion" and by creating "a flawed test" for determining whether statements in the ECNR were "of and concerning" The Local Church.

Shelby Sharpe, the lead counsel for Harvest House and its authors, stated to the Texas Supreme Court that "the court of appeals *did not* hold that statements about religious organizations are protected from defamation liability in *all* circumstances." He affirmed that the appellate court had, in fact, dealt with constitutional protection of religious speech and the protection of reputation as two separate issues.

Recognizing that an adverse ruling would affect the freedom-of-speech rights of all publishers and broadcasters, the Association of American Publishers, Inc. submitted an amicus brief on behalf of Harvest House, in which attorney Jonathan Bloom explained that The Local Church's arguments, if accepted, would "provide a dangerous weapon to those seeking to chill critics by bringing, or threatening to bring, libel claims based upon purported accusations that the authors never directed at the plaintiff."

Bob Hawkins, president of Harvest House Publishers, says, "We are grateful for the Texas Supreme Court's affirmation of the sound appellate ruling. Words cannot express our deep gratitude to all those who have extended their support and encouragement to us over the course of this lawsuit. Our constant prayer has been that through our stand, God would be glorified. We appreciate that God has brought about many opportunities for ministry that otherwise would not have taken place, and for teaching us what it really means to depend on Him."