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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 12-9942 GAF (AGR <sub>x</sub> )	Date	October 17, 2014
Title	LegalZoom.com Inc v. Rocket Lawyer Incorporated		

Present: The Honorable	<b>GARY ALLEN FEESS</b>		
Stephen Montes Kerr	None	N/A	
Deputy Clerk	Court Reporter / Recorder	Tape No.	
Attorneys Present for Plaintiff:	Attorneys Present for Defendant:		
None	None		

**Proceedings: (In Chambers)**

**ORDER RE: APPLICATIONS TO FILE UNDER SEAL**

**I.  
INTRODUCTION**

The Court is currently in receipt of two applications to file under seal: one submitted by Plaintiff LegalZoom.com (“Legal Zoom”) (Docket No. 155 [Appl.]), regarding Legal Zoom’s Reply Memorandum to Supplement the Factual Record, Exhibits A-C and E to the Declaration of Fred D. Heather in support of Legal Zoom’s Reply Memorandum to Supplement the Factual Record (“Exhibits A-C” and “Exhibit E”), and Legal Zoom’s Reply for Rule 11 Sanctions, and another by Defendant Rocket Lawyer (“Rocket Lawyer”) (Docket No. 133 [Rocket Appl.]), regarding Rocket Lawyer’s Opposition to the Motion for Rule 11 Sanctions and Exhibits 1 and 2 to the Michael Jones Declaration in Support of Rocket Lawyer’s Opposition to the Motion to Supplement the Record (“Exhibit 1” and “Exhibit 2”). Both Legal Zoom and Rocket Lawyer have filed redacted<sup>1</sup> versions of the memoranda and exhibits on the public docket. (See Docket No. 154 [Reply Mem. to Supp. Record (“Reply Supp. Record”)]; Docket No. 153 [Reply Mem. for Rule 11 Sanctions (“Reply Mem. Sanctions”)]; Docket No. 137 [Rocket Lawyer’s Opp. to Supp. Record (“Opp. Supp. Record”)] at Ex.1 [Michael Jones Declaration (“Jones Decl.”)] at Exs. 1, 2; Docket No. 129 [Rocket Lawyer’s Opp. (“Opp.”)].)

Legal Zoom urges that good cause exists to seal the documents they request because “[t]hese documents are subject to the Court’s protective order and the sealing of these documents is necessary in order to protect information that Rocket Lawyer has designated as ‘confidential’

<sup>1</sup> One exhibit was filed unredacted. Discussed, *infra*.

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or ‘attorneys’ eyes only,’ including without limitation, confidential business information and other sensitive business data relating to Rocket Lawyer Incorporated.” (Appl. at 2.) Rocket Lawyer also urges that good cause exists to seal the documents they request for the very same reasons and because “[s]pecifically, Exhibit 1 is a document produced by Rocket Lawyer that is designated ‘attorney’s eyes only,’ and Exhibit 2 and the Unredacted Opposition refer to confidential information from within Exhibit 1.” (See Rocket Appl. at 2.)

**II.  
DISCUSSION**

**A. LEGAL STANDARD**

While courts customarily allow the parties to establish ground rules for designating material as confidential for discovery purposes, the Court does not cede to them ultimate authority or responsibility over the sealing of documents. Thus, the fact that certain information may fall within the ambit of the parties’ protective order is of limited importance to the Court in determining whether or not an application to seal should be granted. The public has a “general right to inspect and copy public records and documents, including judicial records and documents” because it has an interest in “keep[ing] a watchful eye on the workings of public agencies.” Nixon v. Warner Commc’ns., Inc., 435 U.S. 589, 597–98 (1978). A “strong presumption of access to judicial records applies fully to dispositive pleadings, including motions for summary judgment and related attachments.” Kamakana v. City & Cnty. of Honolulu, 447 F.3d 1172, 1179 (9th Cir. 2006). “Thus, ‘compelling reasons’ must be shown to seal judicial records attached to a dispositive motion.” (Id.)

In light of the “strong presumption of access to judicial records,” a party should not request that an entire document be filed under seal unless the document’s entire contents are confidential. See Kamakana, 447 F.3d at 1179. Instead, a party should redact those portions of the document that are confidential. The redacted copy should then be filed on the public docket and an unredacted copy should be provided to the Court.

**B. APPLICATION**

**1. Legal Zoom’s Application to File Under Seal**

***a. Legal Zoom’s Reply Memorandum to Supplement the Factual Record***

Legal Zoom seeks to file its Reply to Supplement the Factual Record under seal. The Court previously granted Legal Zoom’s motion to file certain documents related to this motion

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under seal. (See Docket No. 151 [10/10/14 Order].) However, in Legal Zoom’s Reply to Supplement the Factual Record, Legal Zoom goes beyond redacting excerpts of these documents. (See e.g., Reply Supp. Record at 2-3 (improperly redacting job descriptions of various Rocket Lawyer employees).) Some of this information is clearly not confidential and thus, is not properly filed under seal. Accordingly, absent any further showing, Legal Zoom’s request to file its Reply Memorandum to Supplement the Factual Record under seal is **DENIED**.

***b. Exhibits A-C and E to the Fred D. Heather Declaration in Support of the Reply Memorandum in Support of Motion to Supplement the Factual Record***

Legal Zoom also seeks to file Exhibits A-C, and E to the Fred D. Heather Declaration in support of its Motion to Supplement the Factual Record under seal. Exhibits A-C appear to be excerpts of deposition testimony and counsel’s communications on a deposition record regarding documents the Court previously sealed under the 10/10/14 Order. Thus, they too are properly filed under seal. Exhibit E, however, is different.

Exhibit E is a letter of correspondence from Legal Zoom’s Counsel to Rocket Lawyer’s Counsel. Indeed, it discusses some of the documents that the Court sealed, however, again, Legal Zoom has gone outside the parameters of the Court’s 10/10/14 Order and redacted information that has not been sealed by the Court. (See Reply Supp. Record at 1-2 (redacting information regarding Legal Zoom witnesses’ statements regarding certain documents and statements regarding searches for document production).) Some of this information is clearly not confidential and improperly sought to be sealed.

Accordingly, Legal Zoom’s request to file its Exhibits A-C under seal is **GRANTED, in part** but, absent any further showing, is **DENIED** as to Exhibit E.

***c. Legal Zoom’s Reply Memorandum in Support of Motion for Rule 11 Sanctions***

Legal Zoom also seeks to file its Reply Memorandum in Support of its Sanction Motion under seal. for Rule 11 Sanctions under seal. The Court previously granted Legal Zoom’s motion to file certain documents relating to this motion under seal. (10/10/14 Order.) However, in Legal Zoom’s Reply, Legal Zoom goes beyond redacting discussion of these documents. (See e.g., Reply Mem. Sanctions at 5 (redacting factual information); see id. generally (redacting persons’ names throughout).) Some of the redacted information is not confidential, and thus, the

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memorandum should not be filed under seal. Accordingly, Legal Zoom's request to file under seal is **DENIED**.

**2. Rocket Lawyer's Application to File Under Seal**

*a. Exhibits 1 and 2 to the Michael Jones Declaration in Support of Rocket Lawyer's Opposition to the Motion to Supplement the Record*

Rocket Lawyer is seeking to file Exhibit 1 and Exhibit 2 to the Michael Jones Declaration under seal. (Jones Decl. at Exs. 1, 2.) The Court has already granted Rocket Lawyer's application to file Exhibit 1 under seal and thus need not decide the issue again. (Docket No. 150 [10/10/14 Order granting Rocket Lawyer's Motion to File Under Seal].) However, Exhibit 2 has not been ruled on. Exhibit 2 is correspondence from Rocket Lawyer's Counsel to Legal Zoom's Counsel. (See Jones Decl. at Ex. 2.) Moreover, in Rocket Lawyer's filings on the public record Exhibit 2 is currently unredacted and appears in its entirety. (Id.) The Court infers that the information contained therein must therefore not be confidential as Rocket Lawyer has not moved to remove or change this public filing. Moreover, a review of Exhibit 2 shows that, while it discusses some of the sealed documents' contents, it is not confidential in its entirety. (Id. (E.g., portions of letter relating to meeting and conferring and advancing arguments).) Accordingly, absent any further showing, Rocket Lawyer's request to file under seal is **DENIED** as to Exhibit 2.

*b. Rocket Lawyer's Opposition to the Motion for Rule 11 Sanctions*

Rocket Lawyer is also seeking to file its Opposition to the Motion for Rule 11 Sanctions under seal. Again, while Rocket Lawyer has properly redacted references to documents the court has sealed, (see 10/10/14 Order), Rocket Lawyer improperly goes beyond such redactions. (See Opp. at 7-9 (redacting persons' names and various numbers).) Some of this information is not confidential,<sup>2</sup> and thus should not be filed under seal.

Accordingly, absent any further showing, Rocket Lawyer's request to file its Opposition to the Motion for Rule 11 Sanctions under seal is **DENIED**.

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<sup>2</sup> Indeed, Rocket Lawyer did not redact the words "interviews" or "interviewees." It cannot be that the number of interviews or interviewees is confidential, if the fact that the interview occurred or existence of interviewees is not. (See Opp. at 7, 9.)

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**III.  
CONCLUSION**

Accordingly, the Court: (1) **GRANTS, in part** Legal Zoom's application to file Exhibits A-C to the Fred D. Heather Declaration under seal but (2) **DENIES** Legal Zoom's application to file its Reply Memorandum to Supplement the Factual Record and Reply Memorandum for Rule 11 Sanctions and Exhibit E to the Fred D. Heather Declaration under seal. The Court (3) **DENIES** Rocket Lawyer's application to file its Opposition to the Motion for Rule 11 Sanctions and Exhibit 2 to the Michael Jones Declaration in Support of Rocket Lawyer's Opposition to the Motion to Supplement the Record under seal.

Because the Court declines to file Legal Zoom's Memoranda and Exhibit E to the Fred D. Heather Declaration under seal, the Court **REJECTS** Legal Zoom's Reply to Supplement the Factual Record and Reply Memorandum for Rule 11 Sanctions as they are currently filed and **ORDERS** Legal Zoom either (1) to refile their Memoranda without attempting to place them or Exhibit E to the Fred. D. Heather Declaration, under seal, or (2) to refile redacted versions of the Memoranda and Exhibit E to the Fred D. Heather Declaration consistent with this Order. Additionally, because the Court declines to file Rocket Lawyer's Opposition to the Motion for Rule 11 Sanctions under seal, the Court **REJECTS** Rocket Lawyer's Opposition to the Motion for Rule 11 Sanctions as it is currently filed and **ORDERS** Rocket Lawyer either (1) to refile their Motion without attempting to place that Motion under seal, or (2) to refile redacted versions of the Memoranda consistent with this Order. As Exhibit 2 currently appears on the docket unredacted, no further action is necessary and Rocket Lawyer's Opposition to the Motion to Supplement the Record is permissible as currently filed.

The hearing on Legal Zoom's Motion for Rule 11 Sanctions is currently scheduled for November 10, 2014 at 9:30 AM. The Parties are **ORDERED** to comply with this Court's orders above timely so that the hearing may go forward on that date.

**If either Party wishes to submit another application to seal their respective motions or exhibits, they should either appropriately redact their respective motions or explain why such redaction is impracticable. The Parties are instructed to contact the Court Clerk to either (1) arrange to pick up the materials they requested be filed under seal or (2) inform the Court that it may destroy the documents.**

**IT IS SO ORDERED.**