Design Collection, Inc. v. Spring Import, Inc. et al.

Doc 47

## 1. <u>INTRODUCTION</u>

# 1.1 PURPOSES AND LIMITATIONS

Discovery in this action is likely to involve production of confidential, proprietary, or private information for which special protection from public disclosure and from use for any purpose other than prosecuting this litigation may be warranted. Accordingly, the parties hereby stipulate to and petition the Court to enter the following Stipulated Protective Order. The parties acknowledge that this Order does not confer blanket protections on all disclosures or responses to discovery and that the protection it affords from public disclosure and use extends only to the limited information or items that are entitled to confidential treatment under the applicable legal principles. The parties further acknowledge, as set forth in Section 12.3, below, that this Stipulated Protective Order does not entitle them to file confidential information under seal; Civil Local Rule 79-5 sets forth the procedures that must be followed and the standards that will be applied when a party seeks permission from the court to file material under seal.

# 1.2 GOOD CAUSE STATEMENT

This Action involves claims for copyright infringement under the Copyright Act of 1976, Title 17 U.S.C., § 101 *et seq*. The parties, who are variously manufacturers, licensors and vendors of textile designs, and apparel distributors and retailers, are direct and/or indirect competitors of each other. In order to establish their claims and defenses, the parties intend to seek discovery requesting sales, vendor, customer, import and export practice, other financial information, and potentially other commercially and competitively sensitive information.

There will also potentially be multiple depositions of the parties' employees or agents and third party vendors, customers, licensees or clients and such persons will likely be asked to answer questions on these potentially sensitive subject areas. Information regarding the parties' vendors, customers, licensees and clients is confidential and/or proprietary information which cannot be disclosed to other parties

7

8 9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

**26** 

27

- 2. **DEFINITIONS**
- 2.1 Action: This pending federal lawsuit, Design Collection, Inc. v. Spring Import, Inc., Central District of California Case No. CV-14-02665-SJO-MRW (filed April 8, 2014) and does not include any other lawsuits, whether now pending or that may be filed in the future.

exchange of party information, as well as information needed from third parties,

including most importantly the parties' vendors, customers, licensees or clients may

Challenging Party: a Party or Non-Party that challenges the designation of information or items under this Order.

become logistically very difficult, time consuming and expensive.

- "CONFIDENTIAL" Information or Items: information (regardless of 2.3 how it is generated, stored or maintained) or tangible things that qualify for protection under Federal Rule of Civil Procedure 26(c), and as specified above in the Good Cause Statement.
- 2.4 Counsel: Outside Counsel of Record and House Counsel (as well as their support staff).
- Designating Party: a Party or Non-Party that designates information or items that it produces in disclosures or in responses to discovery as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL".
- 2.6 Disclosure or Discovery Material: all items or information, regardless of the medium or manner in which it is generated, stored, or maintained (including, among other things, testimony, transcripts, and tangible things), that are produced or generated in disclosures or responses to discovery in this matter.

2.7 Expert: a person with specialized knowledge or experience in a matter pertinent to the litigation who has been retained by a Party or its counsel to serve as an expert witness or as a consultant in this Action.

- 2.8 "HIGHLY CONFIDENTIAL" Information or Items: information (regardless of how it is generated, stored or maintained) or tangible things that qualify for protection under Federal Rule of Civil Procedure 26(c), and as specified above in the Good Cause Statement, that contains highly sensitive business or personal information, the disclosure of which is highly likely to cause significant harm to an individual or to the business or competitive position of the designating party. Any party to this litigation or third party covered by this Order that produces or discloses any Attorneys' Eyes Only Information shall mark the same with the following, or a substantially similar, legend: "HIGHLY CONFIDENTIAL ATTORNEYS' EYES ONLY".
- 2.9 House Counsel: attorneys who are employees of a party to this Action. House Counsel does not include Outside Counsel of Record or any other outside counsel.
- 2.10 Non-Party: any natural person, partnership, corporation, association, or other legal entity not named as a Party to this action.
- 2.11 Outside Counsel of Record: attorneys who are not employees of a party to this Action but are retained to represent or advise a party to this Action and have appeared in this Action on behalf of that party or are affiliated with a law firm which has appeared on behalf of that party, and includes support staff.
- 2.12 Party: any party to this Action, including all of its officers, directors, employees, consultants, retained experts, and Outside Counsel of Record (and their support staffs).
- 2.13 Producing Party: a Party or Non-Party that produces Disclosure or Discovery Material in this Action.
  - 2.14 Professional Vendors: persons or entities that provide litigation

7

8 9

10 11

12 13

14

15 16

17

18 19

20

21

22 23

24

25

26

27

28

support services (e.g., photocopying, videotaping, translating, preparing exhibits or demonstrations, and organizing, storing, or retrieving data in any form or medium) and their employees and subcontractors.

- 2.15 Protected Material: any Disclosure or Discovery Material that is designated as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL."
- 2.16 Receiving Party: a Party that receives Disclosure or Discovery Material from a Producing Party.

#### 3. **SCOPE**

The protections conferred by this Stipulation and Order cover not only Protected Material (as defined above), but also (1) any information copied or extracted from Protected Material; (2) all copies, excerpts, summaries, or compilations of Protected Material; and (3) any testimony, conversations, or presentations by Parties or their Counsel that might reveal Protected Material. Any use of Protected Material at trial shall be governed by the orders of the trial judge. This Order does not govern the use of Protected Material at trial.

### 4. **DURATION**

Even after final disposition of this litigation, the confidentiality obligations imposed by this Order shall remain in effect until a Designating Party agrees otherwise in writing or a court order otherwise directs. Final disposition shall be deemed to be the later of (1) dismissal of all claims and defenses in this Action, with or without prejudice; and (2) final judgment herein after the completion and exhaustion of all appeals, rehearings, remands, trials, or reviews of this Action, including the time limits for filing any motions or applications for extension of time pursuant to applicable law.

# DESIGNATING PROTECTED MATERIAL

5.1 Exercise of Restraint and Care in Designating Material for Protection.

Each Party or Non-Party that designates information or items for protection under this Order must take care to limit any such designation to specific material that qualifies under the appropriate standards. The Designating Party must designate for protection only those parts of material, documents, items, or oral or written communications that qualify so that other portions of the material, documents, items, or communications for which protection is not warranted are not swept unjustifiably within the ambit of this Order.

Mass, indiscriminate, or routinized designations are prohibited. Designations that are shown to be clearly unjustified or that have been made for an improper purpose (e.g., to unnecessarily encumber the case development process or to impose unnecessary expenses and burdens on other parties) may expose the Designating Party to sanctions.

If it comes to a Designating Party's attention that information or items that it designated for protection do not qualify for protection, that Designating Party must promptly notify all other Parties that it is withdrawing the inapplicable designation.

5.2 <u>Manner and Timing of Designations</u>. Except as otherwise provided in this Order (see, e.g., second paragraph of section 5.2(a) below), or as otherwise stipulated or ordered, Disclosure or Discovery Material that qualifies for protection under this Order must be clearly so designated before the material is disclosed or produced.

Designation in conformity with this Order requires:

(a) for information in documentary form (e.g., paper or electronic documents, but excluding transcripts of depositions or other pretrial or trial proceedings), that the Producing Party affix at a minimum, the legend "CONFIDENTIAL" (hereinafter "CONFIDENTIAL legend") or "HIGHLY CONFIDENTIAL" (hereinafter "HIGHLY CONFIDENTIAL legend"), to each page that contains protected material. If only a portion or portions of the material on a page qualifies for protection, the Producing Party also must clearly identify the protected portion(s) (e.g., by making appropriate

markings in the margins).

A Party or Non-Party that makes original documents available for inspection need not designate them for protection until after the inspecting Party has indicated which documents it would like copied and produced. During the inspection and before the designation, all of the material made available for inspection shall be deemed "CONFIDENTIAL." After the inspecting Party has identified the documents it wants copied and produced, the Producing Party must determine which documents, or portions thereof, qualify for protection under this Order as "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL". Then, before producing the specified documents, the Producing Party must affix the "CONFIDENTIAL legend" or "HIGHLY CONFIDENTIAL legend" to each page that contains Protected Material. If only a portion or portions of the material on a page qualifies for protection, the Producing Party also must clearly identify the protected portion(s) (e.g., by making appropriate markings in the margins).

- (b) for testimony given in depositions that the Designating Party identify the Disclosure or Discovery Material on the record, before the close of the deposition all protected testimony.
- (c) for information produced in some form other than documentary and for any other tangible items, that the Producing Party affix in a prominent place on the exterior of the container or containers in which the information is stored the legend "CONFIDENTIAL" or "HIGHLY CONFIDENTIAL". If only a portion or portions of the information warrants protection, the Producing Party, to the extent practicable, shall identify the protected portion(s).
- 5.3 <u>Inadvertent Failures to Designate</u>. If timely corrected, an inadvertent failure to designate qualified information or items does not, standing alone, waive the Designating Party's right to secure protection under this Order for such material. Upon timely correction of a designation, the Receiving Party must make reasonable efforts to assure that the material is treated in accordance with the provisions of this

Order.

# 6. CHALLENGING CONFIDENTIALITY DESIGNATIONS

- 6.1 <u>Timing of Challenges</u>. Any Party or Non-Party may challenge a designation of confidentiality at any time that is consistent with the Court's Scheduling Order.
- 6.2 <u>Meet and Confer</u>. The Challenging Party shall initiate the dispute resolution process (and, if necessary, file a discovery motion) under Local Rule 37.1 et seq.
- 6.3 The burden of persuasion in any such challenge proceeding shall be the Designating Party. Frivolous challenges, and those made for an improper purpose (e.g., to harass or impose unnecessary expenses and burdens on other parties) may expose the Challenging Party to sanctions. Unless the Designating Party has waived or withdrawn the confidentiality designation, all parties shall continue to afford the material in question the level of protection to which it is entitled under the Producing Party's designation until the Court rules on the challenge.
- 6.4 Nothing contained herein shall preclude a party from (a) using or disseminating its own Confidential Information in any way; (b) disclosing information taken from a document marked "Confidential" or "Highly Confidential" to any person who on the face of that document is shown as having previously received the document; (c) disclosing information which, at the time of disclosure, was already in the recipient's possession or available to it from any other source known to the recipient independently of the "Confidential" or "Highly Confidential" information and having no obligation to or relationship with the party or nonparty witness which is the source of said information; (d) disclosing information which at any time hereafter is available to the recipient from any other source known to the recipient independently of the "Confidential" or "Highly Confidential" information and having no obligation to or relationship with the party or nonparty witness which is the source of said information;

(d) the Court and its personnel;

(e) court reporters and their staff;

27

28

- (f) professional jury or trial consultants, mock jurors, and Professional Vendors to whom disclosure is reasonably necessary for this Action and who have signed the "Acknowledgment and Agreement to Be Bound" (Exhibit A);
- (g) the author or recipient of a document containing the information or a custodian or other person who otherwise possessed or knew the information;
- (h) during their depositions, witnesses ,and attorneys for witnesses, in the Action to whom disclosure is reasonably necessary provided: (1) the deposing party requests that the witness sign the form attached as Exhibit A hereto; and (2) they will not be permitted to keep any confidential information unless they sign the "Acknowledgment and Agreement to Be Bound" (Exhibit A), unless otherwise agreed by the Designating Party or ordered by the court. Pages of transcribed deposition testimony or exhibits to depositions that reveal Protected Material may be separately bound by the court reporter and may not be disclosed to anyone except as permitted under this Stipulated Protective Order; and
- (i) any mediator or settlement officer, and their supporting personnel, mutually agreed upon by any of the parties engaged in settlement discussions.
- 7.3 <u>Disclosure of "HIGHLY CONFIDENTIAL" Information or Items</u>. Where a Designating Party has designated information as "Highly Confidential Attorneys' Eyes Only," other persons subject to this Order may disclose such information only to the following persons:
- (a) outside counsel for the Receiving Party, including any paralegal, clerical, or other assistant that such outside counsel employs and assigns to this matter;
- (b) vendors retained by or for the parties to assist with respect to pretrial discovery, trial, or hearings, including but not limited to court reporters, litigation support personnel, jury consultants, persons preparing demonstrative and audiovisual aids for use in court, in depositions, or mock jury sessions;

0989.003\9935

1	Designating Party's permission. The
2	expense of seeking protection in that of
3	these provisions should be construed a
4	in this Action to disobey a lawful dire
5	
6	9. <u>A NON-PARTY'S PROTECTI</u>
7	PRODUCED IN THIS LITIGATION
8	(a) The terms of this Order are
9	Non-Party in this Action and design
10	CONFIDENTIAL." Such information
11	litigation is protected by the remedies
12	these provisions should be construe
13	additional protections.
14	(b) In the event that a Party is re
15	produce a Non-Party's confidential in
16	subject to an agreement with the Non-
17	confidential information, then the Part
18	(1) promptly notify in
10	that some or all of the information rea

21

22

23

24

25

26

27

28

ignating Party's permission. The Designating Party shall bear the burden and ense of seeking protection in that court of its confidential material and nothing in se provisions should be construed as authorizing or encouraging a Receiving Party his Action to disobey a lawful directive from another court.

# A NON-PARTY'S PROTECTED MATERIAL SOUGHT TO BE

- (a) The terms of this Order are applicable to information produced by a n-Party in this Action and designated as "CONFIDENTIAL" or "HIGHLY NFIDENTIAL." Such information produced by Non-Parties in connection with this gation is protected by the remedies and relief provided by this Order. Nothing in se provisions should be construed as prohibiting a Non-Party from seeking
- (b) In the event that a Party is required, by a valid discovery request, to duce a Non-Party's confidential information in its possession, and the Party is ject to an agreement with the Non-Party not to produce the Non-Party's fidential information, then the Party shall:
- (1)promptly notify in writing the Requesting Party and the Non-Party that some or all of the information requested is subject to a confidentiality agreement with a Non-Party;
- promptly provide the Non-Party with a copy of the Stipulated Protective Order in this Action, the relevant discovery request(s), and a reasonably specific description of the information requested; and
- make the information requested available for inspection by the Non-Party, if requested.
- (c) If the Non-Party fails to seek a protective order from this court within 14 days of receiving the notice and accompanying information, the Receiving Party may produce the Non-Party's confidential information responsive to the discovery

request. If the Non-Party timely seeks a protective order, the Receiving Party shall not produce any information in its possession or control that is subject to the confidentiality agreement with the Non-Party before a determination by the court. Absent a court order to the contrary, the Non-Party shall bear the burden and expense of seeking protection in this court of its Protected Material.

## 10. UNAUTHORIZED DISCLOSURE OF PROTECTED MATERIAL

If a Receiving Party learns that, by inadvertence or otherwise, it has disclosed Protected Material to any person or in any circumstance not authorized under this Stipulated Protective Order, the Receiving Party must immediately (a) notify in writing the Designating Party of the unauthorized disclosures, (b) use its best efforts to retrieve all unauthorized copies of the Protected Material, (c) inform the person or persons to whom unauthorized disclosures were made of all the terms of this Order, and (d) request such person or persons to execute the "Acknowledgment and Agreement to Be Bound" that is attached hereto as Exhibit A.

# 11. <u>INADVERTENT PRODUCTION OF PRIVILEGED OR OTHERWISE</u> PROTECTED MATERIAL

When a Producing Party gives notice to Receiving Parties that certain inadvertently produced material is subject to a claim of privilege or other protection, the obligations of the Receiving Parties are those set forth in Federal Rule of Civil Procedure 26(b)(5)(B). This provision is not intended to modify whatever procedure may be established in an e-discovery order that provides for production without prior privilege review. Pursuant to Federal Rule of Evidence 502(d) and (e), insofar as the parties reach an agreement on the effect of disclosure of a communication or information covered by the attorney-client privilege or work product protection, the parties may incorporate their agreement in the stipulated protective order submitted to the court.

0989.003\9935

**4** 

# 

## 12. MISCELLANEOUS

- 12.1 Right to Further Relief. Nothing in this Order abridges the right of any person to seek its modification by the Court in the future.
- 12.2 Right to Assert Other Objections. By stipulating to the entry of this Protective Order no Party waives any right it otherwise would have to object to disclosing or producing any information or item on any ground not addressed in this Stipulated Protective Order. Similarly, no Party waives any right to object on any ground to use in evidence of any of the material covered by this Protective Order.
- 12.3 Filing Protected Material. A Party that seeks to file under seal any Protected Material must comply with Civil Local Rule 79-5. Protected Material may only be filed under seal pursuant to a court order authorizing the sealing of the specific Protected Material at issue. If a Party's request to file Protected Material under seal is denied by the court, then the Receiving Party may file the information in the public record unless otherwise instructed by the court.

## 13. FINAL DISPOSITION

After the final disposition of this Action, as defined in paragraph 4, within 60 days of a written request by the Designating Party, each Receiving Party must return all Protected Material to the Producing Party or destroy such material. As used in this subdivision, "all Protected Material" includes all copies, abstracts, compilations, summaries, and any other format reproducing or capturing any of the Protected Material. Whether the Protected Material is returned or destroyed, the Receiving Party must submit a written certification to the Producing Party (and, if not the same person or entity, to the Designating Party) by the 60 day deadline that (1) identifies (by category, where appropriate) all the Protected Material that was returned or destroyed and (2)affirms that the Receiving Party has not retained any copies, abstracts, compilations, summaries or any other format reproducing or capturing any

- 1	
1	of the Protected Material. Notwithstanding this provision, Counsel are entitled to
2	retain an archival copy of all pleadings, motion papers, trial, deposition, and hearing
3	transcripts, legal memoranda, correspondence, deposition and trial exhibits, expert
4	reports, attorney work product, and consultant and expert work product, even if such
5	materials contain Protected Material. Any such archival copies that contain or
6	constitute Protected Material remain subject to this Protective Order as set forth in
7	Section 4 (DURATION).
8	
9	14. Any violation of this Order may be punished by any and all appropriate
10	measures including, without limitation, contempt proceedings and/or monetary
11	sanctions.
12	
13	FOR GOOD CAUSE SHOWN, IT IS SO ORDERED.
14	
15	DATED: February 9, 2015
16	
17	
18	Hon. Michael R. Wilner United States Magistrate Judge
19	Cinted States Wagistrate Juage
20	
21	
22	
23	
24	
25	
26	
27	
28	

0989.003\9935

# 1 EXHIBIT A 2 ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND 3 I, \_\_\_\_\_\_ [print or type full name], of 4 5 [print or type full address], declare under penalty of perjury that I have read in its entirety and understand the Stipulated Protective Order that 6 was issued by the United States District Court for the Central District of California 7 on [date] in the case of *Design Collection*, *Inc.* v. *Spring Import*, *Inc.*, Central District 8 of California Case No. CV-14-02665-SJO-MRW (filed April 8, 2014). I agree to 9 10 comply with and to be bound by all the terms of this Stipulated Protective Order and I understand and acknowledge that failure to so comply could expose me to sanctions 11 and punishment in the nature of contempt. I solemnly promise that I will not disclose in 12 13 any manner any information or item that is subject to this Stipulated Protective Order to any person or entity except in strict compliance with the provisions of this Order. 14 I further agree to submit to the jurisdiction of the United States District Court 15 for the Central District of California for the purpose of enforcing the terms of this 16 Stipulated Protective Order, even if such enforcement proceedings occur after 17 termination of this action. I hereby appoint \_\_\_\_\_ [print 18 or type full name] of \_\_\_\_\_\_ [print or type 19 full address and telephone number] as my California agent for service of process in 20 connection with this action or any proceedings related to enforcement of this 21 Stipulated Protective Order. 22 23 Date: \_\_\_\_\_ City and State where sworn and signed: 24 25 Printed name: \_\_\_\_\_ **26** 27

\\the-firm\case\0989 Feldman Law Group\0989.003 Spring Import - Onice Stores\9935 [proposed] Order re Protective Order.docx

28

1	Signature:
2	PROOF OF SERVICE
3	STATE OF CALIFORNIA, COUNTY OF LOS ANGELES
<b>4 5</b>	At the time of service, I was over 18 years of age and <b>not a party to this action</b> . I am employed in the County of Los Angeles, State of California. My business address is 3130 Wilshire Boulevard, Suite 500, Santa Monica, California 90403-2351.
6	On February 6, 2015, I served true copies of the following document(s) described as <b>[PROPOSED] ORDER</b> on the interested parties in this action as follows:
7 8 9 10	Stephen M. Doniger David Shein DONIGER/ BURROUGHS APC 603 Rose Avenue Venice CA 90291 stephen@donigerlawfirm.com
11 12	scott@donigerlawfirm.com david@donigerlawfirm.com Telephone: (310) 590-1820 Facsimile: (310) 417-3538
<ul><li>13</li><li>14</li><li>15</li></ul>	<b>BY CM/ECF NOTICE OF ELECTRONIC FILING:</b> I caused said document(s) to be served by means of this Court's electronic transmission of the Notice of Electronic Filing through the Court's transmission facilities, to the parties and/or counsel who are registered CM/ECF Users set forth in the service list obtained from this Court.
16 17	I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I am employed in the office of a member of the bar of this Court at whose direction the service was made.
18 19	Executed on February 6, 2015, at Santa Monica, California.
20	
21	/s/ H Kim Sim H. Kim Sim
22	
23	
24	
25	
26	
27	
28	\\the-firm\case\\0989 Feldman Law Group\\0989.003 Spring Import 1 _

Danice Stores\9935 [proposed] Order re Protective Order.docx