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8	IN THE UNITED STATES DISTRICT COURT
9	FOR THE EASTERN DISTRICT OF CALIFORNIA
10	INTERMOTIVE, INC.,
11	Plaintiff, No. 2:05-cv-00844-KJM-GGH
12	VS.
13	INPOWER, INC.,
14	Defendant. <u>ORDER</u>
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16	Plaintiff and defendant, the only parties to this case, jointly make a motion to seal
17	their settlement agreement. The motion has been submitted without argument. For the reasons
18	below, this motion is DENIED.
19	I. <u>FACTS AND PROCEDURAL HISTORY</u>
20	Plaintiff sued defendant in 2005 for patent infringement. (ECF 1.) Defendant
21	counterclaimed. (ECF 8.) In 2006, the assigned judge approved the parties' stipulated
22	protective order to govern discovery. (ECF 23.) In 2007, the case was stayed pending
23	completion of a patent reexamination. (ECF 30.) Upon motion of the parties, this court lifted
24	the stay in April 2012. (ECF 64.) On October 16, 2012, the parties filed a notice of settlement.
25	(ECF 71.) On November 1, 2012, the parties filed the pending request to seal the settlement
26	agreement. (ECF 75).
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II. <u>STANDARD</u>

2 There is a presumption in favor of public access to court records. See Phillips v. 3 Gen. Motors Corp., 307 F.3d 1206, 1210 (9th Cir. 2002). However, "access to judicial records is not absolute." Kamakana v. City & Cnty. of Honolulu, 447 F.3d 1172, 1178 (9th Cir. 2006). 4 5 "[I]f the court decides to seal certain judicial records [after conscientiously balancing the competing interests of the public and the party who seeks to keep certain judicial records secret], 6 7 it must 'base its decision on a compelling reason and articulate the factual basis for its ruling, without relying on hypothesis or conjecture." Id. at 1179 (quoting Hagestad v. Tragesser, 49 8 9 F.3d 1430, 1434 (9th Cir. 1995)). "In general, 'compelling reasons' sufficient to outweigh the 10 public's interest in disclosure and justify sealing court records exist when such 'court files might 11 become a vehicle for improper purposes,' such as the use of records to gratify private spite, promote public scandal, circulate libelous statements, or release trade secrets." Id. (quoting 12 13 Nixon v. Warner Communs., Inc., 435 U.S. 589, 598 (1978)). However, "good cause' suffices 14 to warrant preserving the secrecy of sealed discovery material attached to nondispositive 15 motions." Foltz v. State Farm Mut. Auto. Ins. Co., 331 F.3d 1122, 1135 (9th Cir. 2003) (citing 16 Phillips, 307 F.3d at 1213).

III. <u>ANALYSIS</u>

18 The parties have not met the standard for overcoming the presumption in favor of 19 public access to court records. They request the court seal the settlement agreement because 20 public disclosure would reveal the parties' trade secrets. (Joint Req. for Sealing of Docs. at 2, 21 ECF 75.) In support, the parties simply cite *Citizens First National Bank of Princeton v.* 22 Cincinnati Insurance Co., 178 F.3d 943, 946 (7th Cir. 1999). The parties do not indicate which 23 part of the settlement agreement would reveal legitimate trade secrets. Nor do the parties distill 24 and apply a rule from Citizens First to the facts of this case. The parties' entire request consists 25 only of a conclusory invocation of a legal ground and citation to a case.

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The court has carefully reviewed the settlement agreement and cannot find any
 information which, if revealed, could compromise the parties' proprietary interests. The text of
 the agreement names the disputed patents, stipulates to terminate the litigation, and discusses
 other apparently innocuous details. The appended owner's manuals relevant to the disputed
 patents are already available to the public via the internet. On this record, there are no grounds
 on which to grant the parties' request.

IV. <u>CONCLUSION</u>

8 For these reasons, the parties' request to seal is DENIED without prejudice. If the
9 parties wish to renew their request in light of this order, they may do so by November 23, 2012.
10 Otherwise, the settlement agreement shall be filed on the public docket by November 30, 2012.
11 IT IS SO ORDERED.

12 DATED: November 14, 2012.

STATES DISTRICT JUDGE UNITED