



1 pleading and a related attachment, the party must "articulate  
2 compelling reasons supported by specific factual findings that  
3 outweigh the general history of access and the public policies  
4 favoring disclosure, such as the public interest in understanding  
5 the judicial process." Id. at 1178-79 (citations omitted). The  
6 court then must balance the competing interests of the public and  
7 the party seeking to keep records secret. Id. at 1179.

8 Defendant moves to seal an "Asset Purchase and Note  
9 Agreement" in support of its Motion to Dismiss, stating that it  
10 is highly confidential and contains proprietary information, that  
11 sealing is necessary to protect its privacy rights and the  
12 privacy rights of a third party, and that sealing such record  
13 will not prejudice plaintiff.

14 While trade secrets may justify filing documents under  
15 seal, see Kamakana, 447 F.3d at 1179, it is not clear how an  
16 asset purchase agreement is a trade secret. Nor is it clear how  
17 sealing this entire document may prevent it from being used "as  
18 sources of business information that might harm a litigant's  
19 competitive standing," see Nixon v. Warner Communications, Inc.,  
20 434 U.S. 589, 598 (1978), or how disclosure of the document would  
21 invade defendant's or a third party's privacy. Defendant's  
22 request is even less convincing here, where defendant's unsealed  
23 Motion to Dismiss specifically references the transaction  
24 memorialized in the document it wishes to seal. Further, sealing  
25 this information may prevent the public from understanding the  
26 basis upon which the court makes its decisions, and defendant  
27 fails to explain how its harm outweighs public policies favoring  
28 disclosure. See Kamakana, 447 F.3d at 1178-79.

1           Given the public policies favoring disclosure and  
2 defendant's failure to show compelling reasons to seal the  
3 document at issue, the request will be denied. The court may  
4 consider a more tailored request, such as redacting a portion of  
5 the Asset Purchase and Note Agreement, which specifically states  
6 the basis for sealing or redacting this document and why  
7 defendant's harm outweighs public policies favoring disclosure.

8           IT IS THEREFORE ORDERED that defendant's Request to  
9 Seal (Docket No. 12) be, and the same hereby is, DENIED without  
10 prejudice.

11 Dated: August 18, 2017



**WILLIAM B. SHUBB**  
**UNITED STATES DISTRICT JUDGE**

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