ORACLE USA, INC., et al.,  Plaintiffs, v.  SAP AG, et al.,	CASE NO. 07-CV-01658 PJH (EDL)  PLAINTIFFS' RESPONSE IN SUPPORT OF DEFENDANTS' ADMINISTRATIVE MOTION TO PERMIT DEFENDANTS TO FILE
	TRICT OF CALIFORNIA ICISCO DIVISION
UNITED STAT	ES DISTRICT COURT
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## I. INTRODUCTION AND RELIEF REQUESTED

- Defendants SAP AG, SAP America, Inc., and TomorrowNow, Inc. (collectively,
   "Defendants,") filed an Administrative Motion (D.I. 643) and accompanying Stipulation (D.I.
- **4** 644), Declaration (D.I. 645), and Proposed Order (D.I. 643-1) to seal (a) portions of Exhibits A,
- 5 B and F to the Declaration of Tharan Gregory Lanier in Support of Defendants' Motion for
- 6 Partial Summary Judgment ("Lanier Declaration"), (b) Exhibits D, E, and H to the Lanier
- 7 declaration, (c) portions of the Declaration of Elaine Wallace in Support of Defendants' Motion
- **8** for Partial Summary Judgment ("Wallace Declaration"), (d) Exhibit 1 to the Wallace Declaration
- 9 and (e) portions of Defendants' Motion for Partial Summary Judgment ("Defendants' Motion").
- 10 Defendants lodged copies of these materials with the Court on March 3, 2010.
- 11 Under Local Rules 7-11 and 79-5, and this Court's Standing Order For Cases Involving
- 12 Sealed or Confidential Documents, Plaintiffs Oracle USA, Inc. (now known as "Oracle America,
- 13 Inc.") and Oracle International Corporation (collectively, "Oracle") file this Response, and the
- accompanying Declaration of Jennifer Gloss in Support of Defendants' Administrative Motion to
- 15 Seal ("Gloss Declaration") which establishes that compelling reasons exist in support of a
- narrowly tailored order authorizing the sealing of the materials described below.<sup>1</sup>

## 17 II. LEGAL STANDARD

- As a general matter, "courts have recognized a 'general right to inspect and copy public
- 19 records and documents, including judicial records and documents." Kamakana v. City &
- 20 County of Honolulu, 447 F.3d 1172, 1178 (9th Cir. 2006) (internal citation omitted). However,

file these documents publicly. However, Plaintiffs do not waive any of their confidentiality

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<sup>21</sup> \_\_\_\_\_

In deference to the presumption in favor of public access to court records, Plaintiffs no longer

contend that the following documents need be filed under seal: (1) Exhibits D, E, F, and H to the Lanier Declaration; (2) paragraphs 354 and 402-405 of Exhibit A to the Lanier Declaration; (3)

paragraphs 4 and 8 of the Lanier Declaration; (4) Exhibit 1 to the Wallace Declaration; (5) paragraphs 2-5 of the Wallace Declaration and (6) pages 2:15-16, 4:8-13, 4:19, 4:21-28, 5:1-5,

and 9:15-17 of Defendants' Motion. Plaintiffs have submitted a revised Proposed Order with the instant Response to reflect these changes. In addition, Plaintiffs will work with Defendants to

designations, right to file under seal, or other protections with respect to these documents or other information related or similar to, or referred to by, these documents.

1 the Ninth Circuit has recognized that "access to judicial records is not absolute." <i>Id.</i> A property of the Ninth Circuit has recognized that "access to judicial records is not absolute."	A party
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- 2 seeking to seal a document or information filed in connection with a dispositive motion may
- 3 overcome the presumption of public access by meeting the "compelling reasons" standard
- 4 articulated by the Ninth Circuit. *Id.*; Foltz v. State Farm Mutual Auto Ins. Co., 331 F.3d 1122,
- 5 1135 (9th Cir. 2003); Medtronic Vascular Inc. v. Advanced Cardiovascular Sys., Inc., 614 F.
- 6 Supp. 2d 1006, 1035-36 (N.D. Cal. 2009) (Hamilton. J.) (granting in part motion to file under
- 7 seal where requesting party had shown a "compelling need" to file under seal), amended on other
- **8** grounds, No. C 06-1066 PJH, 2009 WL 1764749 (N.D. Cal. June 22,2009). Specifically, the
- 9 requesting party must "articulate[] compelling reasons supported by specific factual
- 10 findings . . . that outweigh the general history of access and the public policies favoring
- disclosure." *Kamakana*, 447 F.3d at 1178-79 (internal citations omitted). Compelling reasons
- sufficient to outweigh the public's interest in disclosure and to justify sealing court records exist
- when such "court files might have become a vehicle for improper purposes,' such as the use of
- 14 records to gratify private spite, promote public scandal, circulate libelous statements, or release
- **15** trade secrets." *Id.* at 1179.

## 16 III. ARGUMENT

- 17 A. Compelling Reasons Support Filing Portions of Exhibits A and B to the Lanier Declaration and Portions of Defendants' Motion Referencing Exhibits A and B Under Seal
- Lambits II and B chack Sear
- Compelling reasons and good cause support filing under seal portions of Exhibit A at ¶¶
- 20, 150-152, 284-285, 287-288, and 449-450 and portions of Exhibit B at pp. 4, 43 and 44 to the
- 21 Lanier Declaration and references to these portions of Exhibits A and B in Defendants' Motion.
- 22 First, the information Plaintiffs seek to file under seal contains non-public, commercially
- 23 sensitive and confidential information, the disclosure of which would create a risk of significant
- competitive injury and particularized harm and prejudice to Oracle. See Gloss Declaration, ¶¶ 6-
- 25 7. Exhibit A is a non-public February 23, 2010 analysis by Plaintiffs' damages expert, Paul K.
- 26 Meyer. *Id.*, ¶ 6. Exhibit B is a non-public November 16, 2009 analysis by Plaintiffs' expert Paul
- **27** C. Pinto. *Id.*, ¶ 7.
- First, due to the high-profile nature of this lawsuit, any and all information filed publicly

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1	is likely to appear in television, print and internet news stories. $Ia.$ , $ \gamma  = 0$ . As such, disclosure
2	of this information poses a risk unfairly prejudicing the jury pool. Id. This risk is especially
3	present because Defendants have filed excerpts from these reports without filing the
4	accompanying supporting sections, which would explain the basis for the conclusions presented.
5	Id. The Meyer Report also contains proprietary and non-public details regarding certain subsets
6	of Oracle research and development expenses, the disclosure of which might mislead investors,
7	competitors, partners, and other interested parties about Oracle's investments. Disclosure might
8	also give them unfair, and possibly inaccurate, views into Oracle's product roadmap. $Id.$ , $\P$ 6.
9	Disclosure of this information would grant Oracle competitors, partners, and other interested
10	parties insight into the cost and personnel required for market entry. $Id.$ , ¶¶ 6-7. Plaintiffs have
11	protected Exhibits A and B from public disclosure through the Stipulated Protective Order
12	("Protective Order") by designating the document "Highly Confidential Information —
13	Attorneys' Eyes Only." Id., ¶ 4. Similarly, disclosure of Defendants' Motion at 10:16 and
14	11:10, which reference Mr. Pinto's and Mr. Meyer's analysis and findings should also be
15	protected from public disclosure. $Id.$ , ¶ 8.
16	Second, the public interest in protecting these limited portions of Exhibits A and B, and
17	the portions of Defendants' Motion that refer to them is outweighed by significant competitive
18	injury and particularized harm to Oracle that would result from disclosure. $Id.$ , ¶¶ 6-8.
19	Typically, public disclosure of court files is favored because "the resolution of a dispute on the
20	merits, whether by trial or summary judgment, is at the heart of the interest in ensuring the
21	'public's understanding of the judicial process and of significant public events.'" See
22	Kamakana, 447 F.3d at 1179 (internal citation omitted). However, the information for which
23	Plaintiffs' seek protection relates solely to the amount of Plaintiffs' saved development cost
24	damages, and not whether such damages are available, and therefore, are not necessary to resolve
25	Defendants' Motion. There is no reason to permit disclosure of information that would harm
26	Oracle when there is no significant public interest in disclosure. Indeed, as this is information
27	that would otherwise remain confidential, Defendants' public disclosure of documents and
28	information to the competitive detriment of Oracle would be improper. See Gloss Declaration at Case No. 07-CV-01658 PJH (EDL)

1	¶¶ 4-5; <i>Kamakana</i> , 447 F.3d at 1179 (stating that compelling reasons exist to seal court files
2	when they are used for improper purposes, such as releasing confidential information like trade
3	secrets). In light of the harm that would result to Oracle and the lack of public benefit in
4	disclosing Oracle's highly confidential documents, compelling reasons exist to seal these
5	documents. See Gloss Declaration, ¶¶ 2-8
6	B. Plaintiffs' Request to Seal is Narrowly Tailored
7	Plaintiffs have narrowly tailored their request by requesting sealing only of exhibits and
8	portions of exhibits that contain the most commercially sensitive and confidential information.
9	Id., ¶ 3. Indeed, through this response, the Gloss Declaration and the Proposed Order, Plaintiffs
10	have further narrowed their request by withdrawing their request to seal certain information
11	originally filed under seal. Furthermore, Plaintiffs have agreed that the many excerpts of its
12	experts' reports, which Defendants have filed in support of their Opposition, may be filed
13	publicly. Id.
14	IV. CONCLUSION
15	For the foregoing reasons, Oracle respectfully requests that the Court file under seal
16	portions of Exhibit A and Exhibit B the Lanier Declaration, and portions of Defendants' Motion
17	for Partial Summary Judgment referencing the confidential information contained in Exhibits A
18	and B.
19	DATED, M 1. 10. 2010 DINCHAM M. CUTCHEN LLD
20	DATED: March 10, 2010 BINGHAM McCUTCHEN LLP
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22	By: /s/ Zachary Alinder
23	Zachary J. Alinder Attorneys for Plaintiffs
24	Oracle International Corporation and Oracle USA, Inc.
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