UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA

ORACLE USA, INC., et al.,

Plaintiffs,

No. C 07-1658 PJH

V.

ORDER GRANTING MOTIONS TO SEAL IN PART AND DENYING THEM IN PART

SAP AG, et al.,

Defendants.

Before the court are six motions to seal documents filed in connection with the parties' motions for partial summary judgment.

The "compelling reasons" standard is applied to motions to seal materials attached to dispositive motions. See Pintos v. Pacific Creditors Ass'n, 605 F.3d 665, 678-79 (9th Cir. 2010). That is, a party seeking to file documents under seal in a dispositive motion must overcome the strong presumption of public access by showing that "compelling reasons supported by specific factual findings . . . outweigh the general history of access and the public policies favoring disclosure." Kamakana v. City & County of Honolulu, 447 F.3d 1172, 1178-79 (9th Cir. 2006).

In granting a motion to seal documents attached to a dispositive motion, the court must weigh "relevant factors," base its decision "on a compelling reason," and "articulate the factual basis for its ruling, without relying on hypothesis or conjecture." Pintos, 605 F.3d at 679 (citation omitted). "Relevant factors" include the "public interest in understanding the judicial process and whether disclosure of the material could result in improper use of the material for scandalous or libelous purposes or infringement upon trade secrets." Id. at 679 n.6.

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In the present case, all the documents or other materials that are the subject of the motions to seal were designated as confidential by Oracle. Thus, it is Oracle's burden to establish that the requests to seal meet the "compelling reasons" standard.

In light of this standard, the court rules as follows:

1. SAP's motion to seal documents (Docket No. 643) filed with its motion for partial summary judgment is DENIED. With the exception of Exhibit A to the Lanier Declaration, either the parties have stipulated to withdraw the request, or Oracle has withdrawn its support for sealing the materials. See Docket No. 664 (Oracle's Response in Support of SAP's Motion to Seal, filed March 10, 2010); Docket No. 760 (Stipulation Regarding Partial Withdrawal of Pending Motions to Seal, filed August 13, 2010).

With regard to Exhibit A to the Lanier Declaration, the court finds that Oracle has failed to articulate a compelling reason to seal this document, which consists of excerpts from the report of Oracle's damages expert Paul K. Meyer. Oracle argues that disclosure of this information would give its competitors an unfair and possibly inaccurate view of Oracle's "product roadmap." However, this is a case in which Oracle seeks millions (or possibly billions) of dollars in damages, and it cannot claim that details of the basis for its damages claims should be sealed from public access.

2. Oracle's motion to seal documents (Docket No. 658) filed with its motion for partial summary judgment is DENIED as to the cited excerpts from Exhibits 17 and 18 to the Alinder Declaration, as to Exhibits 115, 116, and 117 to the Alinder Declaration, as to Exhibit D to the O'Neill Declaration, and as to the portions of Oracle's memorandum of points and authorities citing those materials. The parties have stipulated to withdraw the request as to Exhibit 115 to the Allinder Declaration. The court finds Oracle's argument as to Exhibit D to the O'Neill Declaration to be entirely speculative, and not based on specific factual findings. Similarly, the court finds Oracle's argument as to Exhibits 17 and 18 to the Alinder Declaration to be lacking in specific facts. Finally, as with Exhibit A to the Lanier Declaration, Oracle has articulated no compelling reason to seal Exhibits 116 and 117 to the Alinder Declaration (which exhibits also consist of excerpts from the Meyer report on

damages).

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The motion is GRANTED as to ¶¶ 10, 21, and 23-24 of the Ackerman Declaration, as to Appendices B-K to the Ackerman Declaration, and as to ¶ 8 to the Fallon Declaration. All of these documents contain references to Oracle's source code. Oracle has established a compelling reason to seal these documents, as source code is akin to a trade secret.

3. SAP's motion to seal documents (Docket No. 673) filed with its opposition to Oracle's motion for partial summary judgment is DENIED. Oracle has advised that certain portions of SAP's brief that were designated as confidential – SAP's Opposition at i:22-23, 11:4-5, 15:4, 16:11, 16:27-28, 17:11-13 – need not be sealed.

With regard to Exhibit 14 to the Lanier Declaration (excerpt from the Allison deposition), the court does not find "highly sensitive Oracle information pertaining to customer negotiations and licensing strategy" sufficient to provide a compelling reason to seal this deposition excerpt. Similarly, with regard to Exhibits 19 and 20 to the Lanier Declaration (excerpts from Koehler deposition), the court finds no specific facts describing "security concerns and mechanisms at Oracle," or details of "logs and methods of investigation employed by GIS," and finds therefore that Oracle has not met its burden of showing that a compelling reason exists to seal these deposition excerpts. For the same reasons, the court finds no compelling reason to seal the remaining portions of SAP's brief, at 16:12-14 and 17:2-4.

4. Oracle's motion to seal documents (Docket No. 680) filed with its opposition to SAP's motion for partial summary judgment and cross-motion for partial summary judgment is DENIED. The parties have stipulated to withdraw the request as to portions of Exhibit 3 to the House Declaration, at ¶ 433. With regard to the remaining portions of Exhibit 3 to the House Declaration which are at issue in this request (\P ¶ 146-148 and 232), the court finds that Oracle has not met its burden of establishing that a compelling reason exists to seal these materials.

Exhibit 3 to the House Declaration consists of excerpts from the damages report of Oracle's expert Mr. Meyer. As with regard to Motion No. 1, discussed above, these

excerpts appear to relate directly to Oracle's damages claims, and the exhibit should therefore be publicly filed.

- 5. SAP's motion to seal documents (Docket No. 695) filed with its reply to Oracle's opposition is DENIED, based on the parties' stipulation to withdraw the entire motion.
- 6. Oracle's motion to seal documents (Docket No. 699) filed with its reply to SAP's opposition, and opposition to SAP's cross-motion, is GRANTED as to Exhibit 12 to the Russell Declaration, which contains Oracle's source code. As with Motion No. 2, above, the court finds that a compelling reason exists to seal this material.

The court hereby ORDERS that the documents as to which the motions to seal have been denied be filed in the public record.

IT IS SO ORDERED.

Dated: August 26, 2010

United States District Judge