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For the Northern District of California

IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

LOTES CO., LTD.,

No. C 11-01036 WHA

ORDER GRANTING

Plaintiff,

HON HAI PRECISION INDUSTRY CO., LTD., and FOXCONN ELECTRONICS, INC.,

REQUEST TO FILE MOTION FOR PARTIAL SUMMARY JUDGMENT AND DENYING ADMINISTRATIVE MOTION TO FILE UNDER SEAL

Defendants.

Plaintiff Lotes Co., Ltd., moves to file under seal portions of a précis and request to file a motion for partial summary judgment (Dkt. No. 300). The proposed motion, which would seek to bar "the majority of the infringement counter-claims asserted in this action" (Dkt. No. 300-4 at 1, 3), is "more than tangentially related to the merits of [the] case," so Lotes must show "compelling reasons" to rebut the "strong presumption" in favor of public access and justify sealing. *Ctr. for Auto Safety v. Chrysler Grp., LLC*, 809 F.3d 1092, 1099–1101 (9th Cir. 2016); *Kamakana v. City & Cty. of Honolulu*, 447 F.3d 1172, 1178–79 (9th Cir. 2006). Per Civil Local Rule 79-5(d), "[r]eference to a stipulation or protective order that allows a party to designate certain documents as confidential is not sufficient."

Lotes's supporting declaration asserts that the redacted portions of the précis "refer in detail to confidential information contained in the joint development agreements (the 'JDA agreements') to which Intel Corporation ('Intel') and Defendants are parties," and that "[t]he JDA agreements contain sensitive and proprietary information regarding the relationship between Intel and its suppliers, including both Lotes and Defendants. The disclosure of such

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information could harm Lotes by providing information to competitors or potential competitors of Lotes, such as entities that seek to become suppliers of products manufactured by Lotes" (Dkt. No. 300-1 ¶¶ 2–3). Lotes provides no further explanation as to how it would be harmed if the information it seeks to redact is disclosed to "competitors or potential competitors."

Lotes contends its requested redactions would not "affect public understanding of the nature and substance of the Court's proceedings and determinations" because they would conceal only "information about the confidential JDA agreements" (Dkt. No. 300 at 4). But those agreements are at the core of Lotes's proposed motion for partial summary judgment. The merits of Lotes's proposed motion, and any resulting adjudication of the parties' substantive rights as to the affected counterclaims, would be inscrutable without at least some visibility into the agreements. Contrary to Lotes, the presumption in favor of public access applies here.

After reviewing Lotes's requested redactions, the Court finds they are not supported by compelling reasons that would rebut the strong presumption in favor of public access. For example, Lotes seeks to redact references to the parties to the agreements and the agreements' generic descriptive titles (e.g., the phrase "Development Agreements"), even though this information has already been revealed both in the unredacted portions of the précis and in Lotes's administrative motion. Lotes also seeks to redact a garden-variety agreement provision containing no apparent sensitive or proprietary information that a competitor could use to harm Lotes, as well as the number of accused products in this litigation supposedly covered by the agreements in question. These examples are not exhaustive but illustrate Lotes's overreach.

Lotes's request for permission to file its proposed motion for summary judgment is **GRANTED.** Its administrative motion to file under seal is **DENIED** without prejudice to more judicious sealing requests in connection with its moving papers.

IT IS SO ORDERED.

Dated: July 27, 2017.

United States District Judge