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E-FILED 2/8/06

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

GOOGLE, INC.,

Plaintiff,

v.

AMERICAN BLIND & WALLPAPER
FACTORY, INC., ET AL.,

Defendants.

NO. 03-cv-5340 JF (RS)

**ORDER GRANTING
DEFENDANT'S MOTIONS
TO ENFORCE PROTECTIVE
ORDER AND TO COMPEL
DESIGNATION AND
CLASSIFICATION OF
DOCUMENTS**

I. INTRODUCTION

Defendant American Blind and Wallpaper Factory, Inc. ("American") moves to compel plaintiff Google, Inc. ("Google") to de-classify various documents which American argues have been improperly afforded the highest level of confidentiality under the stipulated protective order entered in this case. American also moves to compel Google to comply with Fed. R. Civ. Pro. 34(b) by either labeling the documents produced to correspond with specific discovery requests or by providing an index which designates the source and origin of each of the 24 boxes and 10 compact discs thus far provided by Google.

The motions were fully briefed and heard by the Court on February 3, 2006. Based on all papers filed to date, as well as on the oral argument of counsel, the Court grants the motion regarding document classification and further grants the motion to compel regarding compliance

1 with Rule 34(b).

2 II. BACKGROUND

3 Google filed this declaratory relief action against American to determine Google's rights to
4 sell keyword-triggered advertising that includes descriptive terms such as "blind," "wallpaper," and
5 "factory"; words which are also component parts of American's trademarks. Although Google has
6 agreed to prevent entities from using American's registered marks, it argues that descriptive terms
7 such as "blind" are not entitled to protection under the Lanham Act.

8 As part of its discovery requests, specifically Document Request No. 44, American requested
9 and Google produced all of the documents Google previously produced in a prior action, *Geico v.*
10 *Google* ("*Geico*"). Google contends that, although American's request for such documents was
11 overbroad, since it posed no burden to Google to provide copies of the *Geico* documents to
12 American, it did so without objection. Those documents were produced to American, however,
13 without any additional review or re-classification by Google. American now contends that, under
14 the terms of the stipulated protective order entered in this action, Google is obliged to review the
15 *Geico* documents and, if necessary, de-designate various documents which were classified in that
16 case as "Confidential - Attorneys' Eyes Only," and which are not entitled to that designation under
17 the stipulated protective order. Google responds that such a review is overly burdensome and notes
18 that it is simply easier for the parties to proceed as American has thus far; namely for American to
19 present to Google those documents which it contends need to be de-designated.

20 In addition to re-classifying various documents contained in the *Geico* production, American
21 requests that Google be compelled to identify with specificity the discovery requests to which those
22 documents respond. While Google has stated that the documents respond to Request No. 44,
23 American argues that the documents may also be responsive to additional requests and, if so, asks
24 Google to identify those requests, or submit a verified response that the documents are responsive
25 solely to Request No. 44.

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1 III. STANDARDS

2 A. Stipulated Protective Order

3 In granting a stipulated protective order, the court delegates to the litigants significant
4 discretion to decide what shall be treated as confidential. In re Coordinated Pretrial Proceedings in
5 Petroleum Products Antitrust Litigation, 101 F.R.D. 34, 41 (C.D. Cal. 1984). It is the designating
6 party's burden to show that the documents it seeks to keep confidential are entitled to protection
7 from disclosure. Verizon California, Inc. v. Ronald Katz Technology Licensing, L.P., 214 F.R.D.
8 583, 586 (C.D. Cal. 2003). "A problem arises if it later appears that the parties have abused their
9 authority to designate documents 'Confidential' or that, for some reason, some of the sealed
10 information should not legitimately remain closed to the public." In re Petroleum Products, 101
11 F.R.D. at 41. Under such circumstances, the court must balance the interests of confidentiality with
12 the interests of access to the information. Id. The weight to be accorded to each may vary according
13 to the purposes the documents serve in the litigation. Id.

14 B. Motion to Compel

15 Fed. R. Civ. Pro. 34 permits a party to serve on any other party a request to produce and copy
16 designated documents. In answering a request for production, the responding party shall state, with
17 respect to each item or category requested, whether production shall occur or whether an objection
18 exists and, if so, shall state such objection. Fed. R. Civ. Pro. 34(b). If documents are produced, they
19 must be provided as they are kept in the usual course of business or organized and labeled to
20 correspond with the categories in the request. Id. The party submitting the request may move for an
21 order under Rule 37(a) with respect to any request or objection thereto. Id.

22 Motions to compel are authorized by Rule 37 of the Federal Rules of Civil Procedure:

23 [If] a party fails to answer an interrogatory submitted under Rule 33, or if a
24 party, in response to a request for inspection submitted under Rule 34, fails
25 to respond that inspection will be permitted as requested or fails to permit
26 inspection as requested, the discovering party may move for an order
27 compelling an answer, or a designation, or an order compelling inspection
28 in accordance with the request. The motion must include a certification that
the movant has in good faith conferred or attempted to confer with the
person or party failing to make the discovery in an effort to secure the
information or material without court action.

1 Fed. R. Civ. P. 37(a)(2)(B).

2 IV. DISCUSSION

3 A. Stipulated Protective Order

4 American moves to compel Google's compliance with the stipulated protective order, which
5 provides that the "Confidential -Attorneys' Eyes Only" designation will be used only in "limited
6 circumstances."¹ See Declaration of Caroline Plater, Exh. A at ¶ 1. Despite its agreement to limit
7 such designation of documents, Google concedes that it simply provided the *Geico* documents to
8 American without any review or re-classification based on the fact that the designations which had
9 been made in the prior case were "very similar" to those agreed to by the parties in this action.²

10 While Google's notion of streamlining the discovery process by producing readily available
11 responsive materials is certainly understandable, that does not relieve it of the obligation to comply
12 with the terms of the protective order in this particular case. Google, therefore, must review and
13 classify all documents it produces here, independent of what may have been done in any prior
14 separate action. Once designation and production has occurred, the protective order provides a
15 mechanism whereby the receiving party, in this instance American, may challenge the designations.
16 Google concedes that it did not comply with this procedure and admits that it produced documents
17 which may carry improper classifications under the terms of the present protective order. See
18 Opposition at pp. 1, lines 19-22; 4, lines 3-7. As a result, Google must review and re-classify the
19 *Geico* documents it produced to American in this action based on the understandings reflected in the
20 parties' stipulated protective order.

21 B. Motion to Compel

22 American also seeks to compel Google to comply with Fed. R. Civ. Pro. 34(b) with respect

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24 ¹ The "limited circumstances" delineated by the parties in the protective order are defined as materials reflecting:
25 1) current revenues, costs, profits, or other highly-sensitive, non-public financial matters; 2) bids, proposals, offers, or other
26 documents relating to attempts to acquire a competing business; 3) future strategic business, sales or marketing plans or
27 activities; or, 4) patents or other highly-sensitive trade secrets, the disclosure of which would irreparably harm the
28 Designating Party. Id.

² While the two protective orders are similar, they are not identical. Compare, Andelman Decl., Exh. B with Hamm
Decl., Exh. B. Google concedes this point. See Opposition at p. 7, lines 12-24.

1 to Google's production of the *Geico* files. Although Google argues that those files were produced in
2 response to Document Request No. 44 as they are kept in the ordinary course of business, two
3 problems arise concerning that argument. First, Google's statement does not satisfy the "certified
4 response" requirement set forth in Fed. R. Civ. Pro. 26(g)(2). Accordingly, if it is Google's position
5 that the *Geico* files are responsive solely to Request No. 44, Google must serve a certified response
6 to American which so states. If, on the other hand, the *Geico* files are responsive to additional
7 discovery requests, then Google must identify with specificity which documents correspond to
8 which requests, in compliance with Fed. R. Civ. Pro. 34(b).

9 Second, Google's unsupported statement that the *Geico* files were produced "as they were
10 kept in the usual course of business" similarly fails to fulfill the requirements set forth in Fed. R.
11 Civ. Pro. 34(b). See e.g., Cardenas v. Dorel Juvenile Group, Inc., 230 F.R.D. 611 (D. Kan. 2005)
12 (holding that a mere assertion that documents were produced as kept in ordinary course of business
13 is insufficient to fulfill the requirements of Rule 34(b)). Moreover, a party's option to produce
14 documents "as they are kept in the usual course of business" is not absolute. As the Cardenas court
15 noted, "merely categorizing the documents produced does not, without some further explanation,
16 satisfy the requirement that they be produced as kept in the usual course of business." Id. at 618.
17 Accord, Scripps Clinic and Research Foundation v. Baxter Travenol Labs, Inc., 1988 WL 70013 (D.
18 Del. 1988) (motion to compel defendant to label and index 45,000 documents produced in 15 boxes
19 with no designations as to the origins of the files granted since court had reason to doubt documents
20 were produced as kept in ordinary course of business); T.N. Taube Corp. v. Marine Midland
21 Mortgage Corp., 136 F.R.D. 449, 456 (W.D. N. C. 1991) (court stated it "doubt[ed] very much
22 whether the Defendant complied with the command of Rule 34(b)...It is certainly improbable that
23 [defendant] haphazardly store[d] documents in a cardboard box").

24 In support of its contention that the records were produced as maintained in the ordinary
25 course of business, Google points out that the *Geico* files contain both colored and alphabetized
26 pages to assist American in navigating the documents. See Klaus Hamm Declaration, Exh. J. There
27 is no showing made by Google, however, that the colored and alphabetized pages, while perhaps
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1 somewhat helpful, correspond to the manner in which those files were maintained.³ "For this reason,
2 Rule 34(b) places the obligation on the responding party to 'organize and label' the documents which
3 are produced for inspection." Stiller v. Arnold, 167 F.R.D. 68, 71 (N.D. Ind. 1996). As a result, the
4 motion to compel Google to comply with Fed. R. Civ. Pro. 34(b) by organizing and labeling the
5 documents produced to American is granted.

6 V. CONCLUSION

7 For the reasons stated above, American's motion to compel Google to comply with the terms
8 of the stipulated protective order is granted. Google is ordered to review and classify all documents
9 produced to American to correspond with the requirements of the stipulated protective order within
10 thirty (30) days of the date of this order.

11 In addition, American's motion to compel Google to comply with Fed. R. Civ. Pro. 34(b) is
12 granted. Google shall provide a written response to American within thirty (30) days of the date of
13 this order linking the documents produced by Google to the requests made by American, including,
14 as appropriate, an indication that no documents are being produced in response to a particular
15 request.

16 IT IS SO ORDERED.

17 Dated: February 8, 2006

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19 RICHARD SEEBORG
20 United States Magistrate Judge

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26 ³ Google also advances the novel notion that as kept "in the usual course of business" may mean as documents have
27 been compiled and maintained in response to discovery in a prior case, as litigation has become an integral part of its
28 "business." The more reasonable reading of Rule 34, however, is that the "course of business" to which it refers concerns a
party's substantive business operations.

1 **THIS IS TO CERTIFY THAT NOTICE OF THIS ORDER HAS BEEN DELIVERED TO:**

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9 Counsel are responsible for distributing copies of this document to co-counsel who have not
10 registered for e-filing under the Court's CM/ECF program.

11 **Dated: 2/8/06**

Chambers of Judge Richard Seeborg

12
13 **By:** /s/ BAK

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