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

Language Line Services, Inc.,

NO. C 10-02605 JW

Plaintiff,

**ORDER OVERRULING DEFENDANT'S
OBJECTIONS TO SPECIAL MASTER'S
DISCOVERY ORDER NO. 5**

v.

Language Services Assoc., LLC, et al.,

Defendants.

Presently before the Court is Language Services Associates, Inc.'s ("Defendant LSA") Objections to Special Master's February 24, 2011 Discovery Order Number 5. (hereafter, "Objections," Docket Item No. 131.) The Court finds it appropriate to take the matter under submission without oral argument. See Civ. L.R. 7-1(b).¹

On February 24, 2011, the Special Master issued Discovery Order No. 5, in which he granted in part and denied in part Plaintiff's request for a determination that Defendant LSA cannot communicate with Jackson Memorial Hospital ("Jackson") and Rush University Medical Center ("Rush"). (hereafter, "DO 5," Docket Item No. 127.) In Discovery Order No. 5, the Special Master determined that (1) Defendant LSA may continue to service Rush and may increase its services to

¹ Accordingly, the Court DENIES as moot Defendant LSA's Motion for an Order Scheduling a Hearing for Defendant LSA's Objections. (Docket Item No. 135.) As the Court has previously stated, there is no requirement to grant Defendant "a hearing" on its objections, as Federal Rule of Civil Procedure 53(f) merely speaks to "giv[ing] the parties notice and an opportunity to be heard." Fed. R. Civ. P. 53(f)(1). (See Docket Item Nos. 104, 116.) Here, Defendant LSA has filed an extensive brief for the Court's consideration. (Docket Item No. 131.) Thus, the Court has afforded Defendant LSA with an opportunity to make its case.

1 Rush at Rush’s request but may not solicit further business from Rush, and (2) Defendant LSA may
2 not provide services to Jackson. (DO 5 at 1-2.) In so ruling, the Special master specifically
3 determined that Rush was a “customer” with whom Defendant LSA had an existing contractual
4 relationship while Jackson was not. (DO 5 at 3-4.)

5 The Court reconsiders a recommendation of the Special Master pertaining to a non-
6 dispositive motion or pretrial discovery matter only where the Special Master’s recommendation is
7 clearly erroneous or contrary to law. (See Order of Appointment, Docket Item Nol. 51 at 2.)

8 Here, the Court finds that the Special Master’s recommendation is not clearly erroneous or
9 contrary to law. The Court’s Injunction prevents Defendant from:

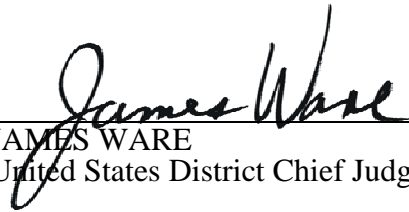
10 Contacting, communicating, soliciting, dealing, or doing business with any of the customers
11 or their representatives appearing on the Brian List, the September 2009 Report or any other
12 document or records containing any of Plaintiff’s Trade Secrets, except where Defendant
13 LSA has an existing contractual relationship with such a customer that was not obtained
14 using any of Plaintiff’s Trade Secrets, and only to the extent necessary for Defendant LSA to
15 satisfy its currently existing contractual obligations to that customer.

16 (Docket Item No. 50 at 10-11.) The Special Master specifically found that, notwithstanding the
17 group purchasing organization agreement (GPO), Jackson was not a “customer” with whom
18 Defendant LSA had an existing contractual relationship. (DO 5 at 3-4.) Specifically, the Special
19 Master required a showing that Defendant LSA “had a ‘letter of designation/commitment’ with any
20 member of the GPO whose name is included on [P]laintiff’s Trade Secret list, which agreement
21 predates the Injunction” before it could be established that a GPO member was a customer with
22 whom Defendant LSA had an existing contractual relationship. (DO 5 at 5.) Finally, the Special
23 Master determined that there were procedures set out in the GPO agreement that allowed Defendant
24 LSA to opt out of providing services to GPO members without being subject to cancellation of the
25 GPO agreement. (DO 5 at 4.) Upon review, the Court finds that none of these factual findings by
26 the Special Master are clearly erroneous.
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Accordingly, the Court **OVERRULES** Defendant's Objection to Special Master Discovery Order No. 5.

Dated: March 15, 2011



JAMES WARE
United States District Chief Judge

1 **THIS IS TO CERTIFY THAT COPIES OF THIS ORDER HAVE BEEN DELIVERED TO:**

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Dated: March 15, 2011

Richard W. Wieking, Clerk

By: /s/ JW Chambers
Elizabeth Garcia
Courtroom Deputy