Northern District of California

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

## UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA SAN JOSE DIVISION

A. FROST, ET AL.,

Plaintiffs.

v.

LG ELECTRONICS INC., et al.,

Defendants.

Case No. 16-cy-05206-BLF

ORDER GRANTING MOTION TO SEAL

Before the Court is Defendants LG Electronics U.S.A., Inc. and LG Display America, Inc. (collectively, "LG Defendants")'s administrative motion to file under seal portions of their reply in support of the sanction motion. ECF 96. For the reasons stated below, the motion is GRANTED.

## T. **LEGAL STANDARD**

There is a "strong presumption in favor of access" to judicial records. Kamakana v. City & Cnty. of Honolulu, 447 F.3d 1172, 1178 (9th Cir. 2006) (quoting Foltz v. State Farm Mut. Auto. Ins. Co., 331 F.3d 1122, 1135 (9th Cir. 2003)). A party seeking to seal judicial records bears the burden of overcoming this presumption by articulating "compelling reasons supported by specific factual findings that outweigh the general history of access and the public policies favoring disclosure." Id. at 1178-79. Compelling reasons for sealing court files generally exist when such "court files might have become a vehicle for improper purposes,' such as the use of records to gratify private spite, promote public scandal, circulate libelous statements, or release trade secrets." Id. (quoting Nixon v. Warner Commc'ns, Inc., 435 U.S. 589, 598 (1978)). However, "[t]he mere fact that the production of records may lead to a litigant's embarrassment, incrimination, or exposure to further litigation will not, without more, compel the court to seal its records." Kamakana, 447 F.3d at 1179. Ultimately, "[w]hat constitutes a 'compelling reason' is

Northern District of California

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

'best left to the sound discretion of the trial court.'" Ctr. for Auto Safety v. Chrslyer Grp., LLC, 809 F.3d 1092, 1097 (9th Cir. 2016).

"Despite this strong preference for public access, [the Ninth Circuit has] carved out an exception," id. at 1097, for judicial records attached to motions that are "tangentially related to the merits of a case," id. at 1101. Parties moving to seal such records need only make a "particularized showing" under the "good cause" standard of Federal Rule of Civil Procedure 26(c). Kamakana, 447 F.3d at 1180 (quoting Foltz, 331 F.3d at 1138).

In this District, parties seeking to seal judicial records must furthermore follow Civil Local Rule 79-5, which requires, inter alia, that a sealing request be "narrowly tailored to seek sealing only of sealable material." Civil L.R. 79-5(b) (emphasis added). Where the submitting party seeks to file under seal a document designated confidential by another party, the burden of articulating compelling reasons for sealing is placed on the designating party. *Id.* 79-5(e).

## II. **DISCUSSION**

The Court has reviewed LG Defendants' sealing motion and declaration of Daniel Birk in support thereof. According to Birk's declaration, the redacted portions should be sealed because they contain competitively sensitive information regarding the hiring and recruiting practices of LG Defendants. Birk Decl., ECF 96-1 ¶¶ 3-4. This sealing motion is not opposed by any party.

The Court finds that the "good cause" standard applies, as LG Defendants' sanction motion is "tangentially related to the merits of a case." See Ctr. for Auto Safety, 809 F.3d at 1097. Because the redacted portions contain competitive and proprietary information that LG Defendants use for their competitive advantage, they are appropriately sealable under the "good cause" standard.

## III. **ORDER**

For the foregoing reasons, the sealing motion at ECF 96 is GRANTED.

Dated: April 3, 2017

United States District Judge