



1 relevant to the claims in this action and Mr. Schoonover is protected under the apex doctrine.  
2 (ECF No. 92).

## 3 **II. DISCUSSION**

### 4 **a. Protective Order**

5 Federal Rule of Civil Procedure 26(b)(1) provides for broad and liberal discovery.  
6 “Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party’s  
7 claim or defense.” *Id.* However, a court may limit discovery via Rule 26(c), which permits the  
8 court to issue a protective order to protect a party or person from annoyance, embarrassment,  
9 oppression, or undue burden or expense when the party establishes good cause. For good cause  
10 to exist, the party seeking protection bears the burden of showing specific prejudice or harm will  
11 result if no protective order is granted. *See Beckman Indus., Inc., v. Int’l. Ins. Co.*, 966 F.2d 470,  
12 476 (9th Cir. 1992). Rule 26(c) requires more than “broad allegations of harm, unsubstantiated  
13 by specific examples or articulated reasoning.” *Id.*; *see also Foltz v. State Farm*, 331 F.3d 1122,  
14 1130 (9th Cir. 2003) (*citing San Jose Mercury News, Inc., v. District Court*, 187 F.3d 1096, 1102  
15 (9th Cir. 1999) (holding that the party must make a particularized showing of good cause)).

16 The Supreme Court has interpreted the language of Rule 26(c) as conferring “broad  
17 discretion on the trial court to decide when a protective order is appropriate and what degree of  
18 protection is required.” *Seattle Times Co. v. Rhinehart*, 467 U.S. 20, 36 (1984). Additionally, the  
19 Supreme Court has acknowledged that the “trial court is in the best position to weigh fairly the  
20 competing needs and interests of the parties affected by discovery. The unique character of the  
21 discovery process requires that the trial court have substantial latitude to fashion protective  
22 orders.” *Id.*

23 “It is very unusual for a court to prohibit the taking of a deposition altogether ... absent  
24 extraordinary circumstances.” *United States CFTC v. Banc De Binary, Ltd.*, 2015 U.S. Dist.  
25 LEXIS 17567, at \*6 (D. Nev. Feb. 11, 2015) (internal citations omitted). However, the Court has  
26 discretion to prohibit the deposition of a high-level corporate executive, or “apex” deponent,  
27 given the “tremendous potential for abuse or harassment” that exists for such discovery. *Int’l*  
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1 *Game Tech. v. Illinois Nat'l Ins. Co.*, 2018 WL 7499823, at \*2 (D. Nev. Apr. 6, 2018) (internal  
2 citations omitted).

3 A deponent's status as a high-level executive alone is not a reason to prohibit his  
4 deposition. Courts within the Ninth Circuit consider two factors when deciding whether or not to  
5 allow the deposition of a high-level executive: (1) whether the executive has unique, personal  
6 knowledge of relevant information; and (2) whether the party seeking the information has  
7 exhausted other less intrusive discovery methods.<sup>1</sup> *See Apple v. Samsung Elecs. Co., Ltd.*, 282  
8 F.R.D. 259, 263 (N.D. Cal. 2012); see also *Luangisa v. Interface Operations*, 2011 WL 6029880  
9 (D. Nev. Dec. 5, 2011).

10 As a preliminary matter, the Court finds that Mr. Schoonover is a high-level executive  
11 based on his title, President and Executive Director of the Service Employees International  
12 Union, Local 721 and President of the SEIU State Council and Declaration. (ECF No. 87-5). Mr.  
13 Schoonover declares that he does not have unique and personal knowledge and his deposition  
14 would be duplicative or only serve to harass him or impose undue burden. (*Id.*). Plaintiffs'  
15 contend that Mr. Schoonover is not being truthful with the Court as to his involvement in the  
16 investigation of complaints relevant to the case.

17 Knowledge is personal if the individual at issue was involved to some degree in the  
18 subject matter. *See Int'l Game Tech.*, 2018 WL 7499823, at \*4. Knowledge is unique if it is  
19 unavailable from less intrusive discovery. *Id.* Plaintiffs' acknowledge that there were other  
20 people present at the May 9, 2016 meeting that Mr. Schoonover attended along with the second  
21 meeting. (ECF No. 89, 3-4). Further, mere speculation as to what role Mr. Schoonover played  
22 with respect to staffing the trusteeships or use of funds in the event of a trusteeship is insufficient  
23 to meet this first element.

24 Second, Plaintiffs have failed to first exhaust other less intrusive methods of discovery.  
25 *See Int'l Game Tech.*, 2018 WL 7499823, at \*4. In fact, Defendants represent that they have

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27 <sup>1</sup> Although the Ninth Circuit has yet to recognize the apex doctrine, a majority of the District  
28 Courts within the Ninth Circuit have. *See e.g., Luangisa v. Interface Operations*, 2011 U.S. Dist. LEXIS  
139700, at \*39-40 (D. Nev. Dec. 5, 2011).

1 responded to written discovery on the alter ego status issue along with the trusteeship and funds  
2 issue, which may be followed up on at the already scheduled deposition of SEIU's Rule 30(b)(6)  
3 witness. (ECF No. 92, 9:7). Therefore, Defendants' request for a protective order is warranted at  
4 this time under the apex doctrine.

5 **b. Sealing Exhibits**

6 Plaintiffs request sealing of some of the exhibits to their Response (ECF No. 90-91).  
7 They represent that Exhibit 1 is subject to a protective order that is in place in another case,  
8 *Garcia et al. v. SEIU et al.*, 2:17-cv-1340, but make no representations on whether the standards  
9 for keeping all of the requested exhibits sealed have been met. (ECF No. 91, 2). A party seeking  
10 to seal judicial records bears the burden of meeting the "compelling reasons" standard, as  
11 previously articulated in *Kamakana v. City and County of Honolulu*, 447 F.3d 1172 (9th Cir.  
12 2006). Under the compelling reasons standard, "a court may seal records only when it finds 'a  
13 compelling reason and articulate[s] the factual basis for its ruling, without relying on hypothesis  
14 or conjecture.'" *Center for Auto Safety v. Chrysler Group, LLC*, 809 F.3d 1092, 1097 (9th Cir.  
15 2016) (quoting *Kamakana*, 447 F.3d at 1179). "The court must then 'conscientiously balance[ ]  
16 the competing interests of the public and the party who seeks to keep certain judicial records  
17 secret.'" 809 F.3d at 1097.

18 There is an exception to the compelling reasons standard where a party may satisfy the  
19 less exacting "good cause" standard for sealed materials attached to a discovery motion unrelated  
20 to the merits of the case. *Id.* "The good cause language comes from Rule 26(c)(1), which  
21 governs the issuance of protective orders in the discovery process: 'The court may, for good  
22 cause, issue an order to protect a party or person from annoyance, embarrassment, oppression, or  
23 undue burden or expense.'" *Id.* (citing Fed.R.Civ.P. 26(c)). "For good cause to exist, the party  
24 seeking protection bears the burden of showing specific prejudice or harm will result if no  
25 protective order is granted." *Phillips v. General Motors*, 307 F.3d 1206, 1210-11 (9th Cir. 2002).  
26 The labels of "dispositive" and "non-dispositive" will not be the determinative factor for deciding  
27 which test to apply because the focal consideration is "whether the motion is more than  
28 tangentially related to the merits of a case." *Ctr. for Auto Safety*, 809 F.3d at 1101.

1 The fact that the Court has entered the instant stipulated protective order and that a party  
2 has designated a document as confidential pursuant to that protective order does not, standing  
3 alone, establish sufficient grounds to seal a filed document. *See Foltz v. State Farm Mut. Auto.*  
4 *Ins. Co.*, 331 F.3d 1122, 1133 (9th Cir. 2003); *see also Beckman Indus., Inc. v. Int'l Ins. Co.*, 966  
5 F.2d 470, 476 (9th Cir. 1992). However, the Court finds that the less exacting good cause  
6 standard is applicable here and justifies keeping the requested exhibits under seal. The Court  
7 finds that Plaintiffs' Exhibit 1 shall remain under seal pursuant to Judge Gordon's order. Exhibit  
8 5 shall also remain sealed as it is financial information that would impair SEIU's interests if  
9 publicly accessible. Therefore, the Court will grant Plaintiff's motions to seal.

10 **III. CONCLUSION**

11 **IT IS HEREBY ORDERED** that Defendants' Emergency Motion for Protective Order  
12 (ECF No. 87) is **granted**.

13 **IT IS FURTHER ORDERED** that Plaintiff's Motion to Seal (ECF No. 90) is **granted**.

14 **IT IS FURTHER ORDERED** that Plaintiff's Motion to Seal (ECF No. 91) is **granted**.

15 DATED: November 22, 2019.

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17 DANIEL J. ALBREGTS  
18 UNITED STATES MAGISTRATE JUDGE