

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Graham v. Honeywell International Inc.

Graham · No. 3:23-cv-04865-RFL (KAW) · Decided October 10, 2025

SUMMARY

The court granted in part and denied in part Plaintiff Maxwell A. Graham’s motion for sanctions under Federal Rule of Civil Procedure 37(e) based on Honeywell International Inc.’s failure to preserve electronically stored information. The court found that Honeywell failed to take reasonable steps to preserve data from Graham’s company laptop and cellphone, that the loss prejudiced Graham, and that there was insufficient evidence of intentional spoliation. The court recommended a short factual jury statement regarding the missing data and awarded Graham reasonable attorneys’ fees related to the discovery and sanctions issues.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Kandis A. Westmore
JURISDICTION	United States District Court for the Northern District of California
DECIDED	October 10, 2025
DOCKET	3:23-cv-04865-RFL (KAW)
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for sanctions under Federal Rule of Civil Procedure 37(e) based on Defendant's alleged failure to preserve electronically stored information. The magistrate judge granted the motion in part and denied it in part, recommended a short factual spoliation instruction to the jury, and awarded Plaintiff reasonable attorneys' fees related to the preservation dispute.
STANDARD OF REVIEW	The court applied the requirements of Federal Rule of Civil Procedure 37(e) and exercised discretion under Rule 37(e)(1) to determine whether the loss of information prejudiced Plaintiff and what measures were necessary to cure that prejudice.
PRECEDENTIAL VALUE	unpublished and nonprecedential magistrate judge order and recommendation

PARTIES

Maxwell A. Graham v. Honeywell International Inc.

TOPICS

sanctions

discovery dispute

evidence

civil procedure

age discrimination

PRACTICE AREAS

civil procedure

discovery

evidence

employment law

sanctions

QUESTIONS PRESENTED

1. Whether the loss of hard-copy files supported sanctions under Federal Rule of Civil Procedure 37(e).
2. Whether Honeywell failed to preserve electronically stored information on Graham's company-issued laptop and cellphone in violation of Rule 37(e).
3. Whether the record established that Honeywell acted with intent to deprive Graham of the information's use in the litigation, thereby warranting an adverse-inference instruction or more severe sanctions under Rule 37(e)(2).
4. Whether Graham suffered prejudice from the loss of the laptop and cellphone information and was entitled to remedial measures and attorneys' fees under Rule 37(e)(1).

HOLDINGS

1. Hard-copy files are not electronically stored information, so their alleged destruction does not warrant sanctions under Rule 37(e).
2. Honeywell failed to take reasonable steps to preserve the information on Graham's laptop and cellphone.
3. The record did not establish, or support a reasonable inference, that Honeywell intentionally destroyed the data; therefore, sanctions under Rule 37(e)(2), including an adverse-inference instruction, were not warranted.
4. Graham was prejudiced by the loss of the laptop and cellphone information because potentially relevant laptop files and unrecoverable text messages were missing.
5. A short factual statement concerning the spoliation, rather than an adverse-inference instruction, was appropriate to address the prejudice, and Graham was entitled to reasonable attorneys' fees incurred in addressing the preservation dispute and sanctions motion.

KEY QUOTATIONS

"Hard copy files are not electronically stored information, so Rule 37(e) does not apply." (at 3)

"Based on the record, the Court cannot find that there was no prejudice to Plaintiff." (at 4)

"The statement should inform the jury that Defendant had a duty to preserve the data on Plaintiff's company-issued laptop and cellphone, but that despite this duty, information, including text messages between Plaintiff and his supervisor, David Bach, are no longer available." (at 5)

FACTUAL BACKGROUND

Graham was employed by Honeywell as a senior sales manager until his termination became effective in September 2022. On the day of his termination, Graham requested that Honeywell preserve documents, emails, files, and pictures in his system, and he later returned his company-issued laptop and cellphone. Honeywell stored the devices, but failed to ensure that the correct laptop was retained and sent for forensic collection; the cellphone was not received by the vendor, and the relevant data could not be recovered. The missing information included potentially relevant laptop files and text messages concerning Graham's employment, compensation, and planned retirement date.

PROCEDURAL HISTORY

Graham filed a motion for sanctions on July 4, 2025; Honeywell opposed, and Graham replied. The court held a hearing on October 2, 2025. The presiding judge had previously granted in part and denied in part Honeywell's motion for summary judgment. The discovery dispute was referred to the magistrate judge.

DISPOSITION

other

CASES CITED

- Porter v. City & County of San Francisco, No. 16-CV-03771-CW (DMR), 2018 WL 4215602 (N.D. Cal. Sept. 5, 2018)
- Leon v. IDX Systems Corp., 464 F.3d 951, 958 (9th Cir. 2006)
- Cedano-Viera v. Ashcroft, 324 F.3d 1062, 1066 n. 5 (9th Cir. 2003)
- Chinitz v. Intero Real Estate Services, No. 18-CV-05623-BLF, 2020 WL 7389417 (N.D. Cal. May 13, 2020)
- Resolute Forest Products, Inc. v. Greenpeace International, No. 17CV02824-JST (KAW), 2022 WL 16637990 (N.D. Cal. Nov. 2, 2022), report and recommendation adopted, No. 17-CV-02824-JST, 2023 WL 4311255 (N.D. Cal. Apr. 10, 2023)