

SUPREME COURT OF THE STATE OF WASHINGTON

Lyft, Inc. v. City of Seattle, 190 Wn. 2d 769

418 P.3d 102 (2018) · No. No. 94026-6 · Decided May 31, 2018

SUMMARY

The Washington Supreme Court held that records containing trade secrets are not categorically exempt from disclosure under the Public Records Act. The court ruled that a party seeking to enjoin disclosure must satisfy the heightened standard in RCW 42.56.540, requiring a showing that disclosure would clearly not be in the public interest and would substantially and irreparably damage a person or vital government interest. The court reversed and remanded for application of that standard to Lyft and Rasier's zip-code reports.

CASE DETAILS

COURT	Supreme Court of the State of Washington
WRITING FOR THE COURT	Stephens, J.
JURISDICTION	Washington
DECIDED	May 31, 2018
DOCKET	No. 94026-6
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Direct review of a King County Superior Court permanent injunction preventing the City of Seattle from disclosing Lyft and Rasier quarterly zip-code reports in response to a Washington Public Records Act request.
STANDARD OF REVIEW	Interpretation of the Uniform Trade Secrets Act and the Public Records Act is reviewed de novo. A decision granting or denying a Public Records Act injunction is reviewed de novo, while factual findings based on testimonial evidence are reviewed for substantial evidence.
PRECEDENTIAL VALUE	Published en banc opinion; precedential
PARTIES	City of Seattle, Jeff Kirk v. Lyft, Inc., Rasier, LLC

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QUESTIONS PRESENTED

1. Whether the Uniform Trade Secrets Act categorically exempts records containing trade secrets from disclosure under the Washington Public Records Act.
2. Whether a party seeking to enjoin disclosure of public records containing trade secrets must satisfy the injunction standard in RCW 42.56.540 rather than the general CR 65 standard.
3. Whether the superior court adequately determined that disclosure would clearly not be in the public interest and would substantially and irreparably damage a person or vital governmental functions.

HOLDINGS

1. Records containing trade secrets are not categorically exempt from disclosure under the Public Records Act. The Uniform Trade Secrets Act may qualify as an applicable 'other statute' exemption in a particular case, but a trade-secret determination does not by itself authorize withholding the records.
2. The injunction standard in RCW 42.56.540 governs. A party seeking to prevent disclosure must establish that disclosure would clearly not be in the public interest and would substantially and irreparably damage a person or vital governmental functions.
3. The superior court's findings did not adequately address the heightened requirements of RCW 42.56.540. The permanent injunction had to be reversed and the matter remanded for application of the correct statutory standard.

KEY QUOTATIONS

“We hold that they are not. Applying the injunction standard set forth in RCW 42.56.540, such records may be enjoined from disclosure only if disclosure would clearly not be in the public interest, and would substantially and irreparably damage a person or a vital government interest.” (190 Wn. 2d at 769; 418 P.3d at 102)

“First, the court must determine whether the records are exempt under the PRA or an 'other statute' that provides an exemption in the individual case. Second, it must determine whether the PRA injunction standard is met.” (190 Wn. 2d at 807-08; 418 P.3d at 124)

FACTUAL BACKGROUND

Lyft and Rasier submitted quarterly zip-code reports to Seattle under a municipal transportation-network-company ordinance. The reports contained ride-location and related operational data extracted from company databases, and the companies designated the reports as confidential. Seattle resident Jeff Kirk requested the reports under the Public Records Act to investigate possible redlining and discrimination in transportation services. The superior court found that the zip-code reports were trade secrets and enjoined disclosure.

PROCEDURAL HISTORY

Jeff Kirk requested Lyft and Rasier reports from the City under the Public Records Act. After receiving third-party notice, Lyft and Rasier sought injunctive relief. The King County Superior Court concluded that the zip-code reports were trade secrets under the Uniform Trade Secrets Act and permanently enjoined their disclosure, applying the general injunction standard under CR 65. Kirk and the City obtained direct review in the Washington Supreme Court.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The superior court must apply RCW 42.56.540, determine whether disclosure would clearly not be in the public interest, and determine whether disclosure would substantially and irreparably damage any person or vital governmental functions. The court may also consider future records requests and the continuing trade-secret status of backward-looking data.

CASES CITED

- Progressive Animal Welfare Soc'y v. Univ. of Wash., 125 Wn. 2d 243, 884 P.2d 592 (1994)
- Tyler Pipe Indus., Inc. v. Dep't of Revenue, 96 Wn. 2d 785, 638 P.2d 1213 (1982)
- Spokane Police Guild v. Liquor Control Bd., 112 Wn. 2d 30, 769 P.2d 283 (1989)
- Soter v. Cowles Publ'g Co., 162 Wn. 2d 716, 174 P.3d 60 (2007)
- Morgan v. City of Federal Way, 166 Wn. 2d 747, 213 P.3d 596 (2009)
- Belo Mgmt. Servs., Inc. v. Click! Network, 184 Wn. App. 649, 343 P.3d 370 (2014)
- Ed Nowogroski Ins., Inc. v. Rucker, 137 Wn. 2d 427, 971 P.2d 936 (1999)
- Fraternal Order of Eagles, Tenino Aerie No. 564 v. Grand Aerie of Fraternal Order of Eagles, 148 Wn. 2d 224, 59 P.3d 655 (2002)
- McCallum v. Allstate Prop. & Cas. Ins. Co., 149 Wn. App. 412, 204 P.3d 944 (2009)
- Spokane Research & Def. Fund v. City of Spokane, 96 Wn. App. 568, 983 P.2d 676 (1999)
- Confederated Tribes of Chehalis Reservation v. Johnson, 135 Wn. 2d 734, 958 P.2d 260 (1998)
- Fisher Broad.—Seattle TV LLC v. City of Seattle, 180 Wn. 2d 515, 326 P.3d 688 (2014)
- Ameriquest Mortg. Co. v. Office of Att'y Gen., 170 Wn. 2d 418, 241 P.3d 1245 (2010)
- Hangartner v. City of Seattle, 151 Wn. 2d 439, 90 P.3d 26 (2004)
- Brouillet v. Cowles Publ'g Co., 114 Wn. 2d 788, 791 P.2d 526 (1990)
- Service Emps. Int'l Union Local 925 v. Freedom Found., 197 Wn. App. 203, 389 P.3d 641 (2016)
- Zink v. City of Mesa, 140 Wn. App. 328, 166 P.3d 738 (2007)
- Boeing Co. v. Sierracin Corp., 108 Wn. 2d 38, 738 P.2d 665 (1987)
- Ruckelshaus v. Monsanto Co., 467 U.S. 986, 104 S. Ct. 2862, 81 L. Ed. 2d 815 (1984)
- Asarco Inc. v. Dep't of Ecology, 145 Wn. 2d 750, 43 P.3d 471 (2002)
- Hearst Corp. v. Hoppe, 90 Wn. 2d 123, 580 P.2d 246 (1978)

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