

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF
WASHINGTON

Valve Corporation v. Rothschild et al.

Valve Corp. · No. 2:23-cv-01016-JNW · Decided January 28, 2026

SUMMARY

The United States District Court for the Western District of Washington granted in part Defendants’ motion to seal expert reports filed in support of Daubert motions. The Court held that the compelling-reasons standard applied and permitted limited redactions to the Schenk and Al-Salam reports based on confidential financial and litigation-related information. The Court denied sealing of the Gugliuzza report because Defendants failed to demonstrate the required interests, injury, and need for sealing rather than redaction.

CASE DETAILS

COURT	United States District Court for the Western District of Washington
WRITING FOR THE COURT	Jamal N. Whitehead
JURISDICTION	United States District Court for the Western District of Washington
DECIDED	January 28, 2026
DOCKET	2:23-cv-01016-JNW
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved to maintain three expert reports under seal in connection with their Daubert motions. The court granted the motion in part, allowing limited redactions to two reports and ordering the third report unsealed.
STANDARD OF REVIEW	A party seeking to seal materials filed in connection with matters more than tangentially related to the merits must demonstrate compelling reasons sufficient to outweigh the public's interest in disclosure. The court must balance the public and private interests and require a factual showing of confidential information, identifiable significant harm from disclosure, and the inadequacy of less restrictive alternatives.
PRECEDENTIAL VALUE	Unknown

TOPICS

civil procedure

evidence

expert testimony

daubert standard

commercial litigation

PRACTICE AREAS

civil procedure

evidence

commercial litigation

QUESTIONS PRESENTED

1. What standard governs a motion to seal expert reports filed in connection with Daubert motions related to the claims, defenses, and damages in the case?
2. Whether Valve established compelling reasons for limited redactions to the Schenk and Al-Salam expert reports.
3. Whether Defendants established the required interests, injury, and need for complete sealing of the Gugliuzza expert report.

HOLDINGS

1. The compelling-reasons standard applies because the expert reports are related to the claims, defenses, and damages at issue and the Daubert motions are more than tangentially related to the merits.
2. Valve established compelling reasons for limited redactions to the Schenk and Al-Salam reports.
3. Defendants failed to meet their burden to keep the Gugliuzza report under seal, and the report must be unsealed.

KEY QUOTATIONS

“The Court finds that the compelling interest test applies, as the materials Defendants seek to seal are related to the claims, defenses, and damages at issue here, and so may only be sealed upon a showing that there are compelling reasons sufficient to outweigh the public’s interest in disclosure.” (at 3)

“The proposed redactions are narrow, and Valve and its counsel have identified real harms that would result from public disclosure.” (at 5)

“Absent such a showing, the Court will not permit the report to remain under seal.” (at 6)

FACTUAL BACKGROUND

Defendants filed expert reports from Kimberly J. Schenk, Ramsey M. Al-Salam, Paul R. Gugliuzza, and Dr. Adam Sorini under seal in support of Daubert motions. Valve sought limited redactions to portions of the Schenk and Al-Salam reports containing employee compensation information, the amount paid under a settlement and licensing agreement, legal counsel's negotiated billing rates, and internal staffing and litigation strategy. Defendants designated the Gugliuzza report as confidential and proprietary but submitted no adequate evidentiary showing explaining the interests supporting continued sealing, the injury from disclosure, or why redaction would be insufficient.

PROCEDURAL HISTORY

Defendants filed four Daubert motions challenging proposed testimony from Valve's experts and filed the expert reports under seal. Defendants then moved under Local Civil Rule 5(g) to maintain the Schenk, Al-Salam, and Gugliuzza reports under seal. After reviewing the motion, Valve's response, and the supporting materials, the court applied the compelling-reasons standard and granted the motion only in part.

DISPOSITION

other

CASES CITED

- Ctr. for Auto Safety v. Chrysler Grp., LLC, 809 F.3d 1092, 1101 (9th Cir. 2016)
- In re Midland Nat. Life Ins. Co. Annuity Sales Pracs. Litig., 686 F.3d 1115, 1120 (9th Cir. 2012)
- Kamakana v. City & County of Honolulu, 447 F.3d 1172, 1178 (9th Cir. 2006)
- Foltz v. State Farm Mutual Auto. Ins. Co., 331 F.3d 1122, 1131 (9th Cir. 2003)
- Houserman v. Comtech TeleCommunications Corp., No. 2:19-CV-00644-RAJ, 2021 WL 54766, at *3 (W.D. Wash. Jan. 6, 2021)
- Glob. Equip. Co., Inc. v. Glob. Storage Equip. Mfr. Ltd., No. C25-1269-KKE, 2025 WL 3158080, at *7 (W.D. Wash. Nov. 12, 2025)
- Mahone v. Amazon.com, Inc., No. C22-594 MJP, 2024 WL 278934, at *1 (W.D. Wash. Jan. 25, 2024)