

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Shande v. Zoox, Inc.

Shande · No. 22-cv-05821-BLF · Decided March 9, 2023

SUMMARY

The court denied Zoox, Inc.'s motion to seal an Employee Proprietary Information and Invention Assignment Agreement filed in support of its motion to dismiss and anti-SLAPP motion. The court held that Zoox had not shown compelling reasons to seal the agreement and ordered Zoox, within seven days, to publicly file it, submit a narrower sealing motion, or advise that it was withdrawn.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Beth Labson Freeman
JURISDICTION	United States District Court for the Northern District of California
DECIDED	March 9, 2023
DOCKET	22-cv-05821-BLF
DISPOSITION	other
PROCEDURAL POSTURE	Defendant moved to seal an Employee Proprietary Information and Invention Assignment Agreement submitted in support of its motion to dismiss and anti-SLAPP motion. The court denied the motion to seal without prejudice.
STANDARD OF REVIEW	A motion to seal materials more than tangentially related to the merits requires compelling reasons that outweigh the public-access presumption; materials only tangentially related to the merits may be sealed upon a showing of good cause.
PRECEDENTIAL VALUE	unpublished district court order

TOPICS

- civil procedure
- copyright law
- employment contracts
- contracts

PRACTICE AREAS

- civil procedure
- copyright
- employment law
- contracts

QUESTIONS PRESENTED

1. Whether the Employee Proprietary Information and Invention Assignment Agreement, submitted in support of motions directed to the merits, could be sealed under the compelling-reasons standard.
2. Whether Zoox provided sufficient factual support to establish compelling reasons that outweighed the strong presumption of public access to judicial records.

HOLDINGS

1. Because the agreement was offered in support of a motion to dismiss and an anti-SLAPP motion directed to the merits, the compelling-reasons standard applied.
2. Zoox failed to demonstrate compelling reasons sufficient to seal the agreement because its evidence consisted of conclusory, unsupported assertions that the agreement was highly sensitive and confidential and that disclosure would create a competitive disadvantage.

KEY QUOTATIONS

“Historically, courts have recognized a ‘general right to inspect and copy public records and documents, including judicial records and documents.’” (at 1)

“Accordingly, the Court finds that Zoox has failed to demonstrate the existence of compelling reasons for sealing the EPIIAA that would outweigh the strong presumption in favor of public access to court records.” (at 3)

“This ruling is without prejudice to a renewed motion to seal that is more narrowly tailored, if Zoox believes that such a motion can be made in good faith.” (at 3)

FACTUAL BACKGROUND

Tavershima Shande created digital street scenery while employed by Zoox as a Staff Technical Artist and claimed that he created the disputed content separately from his employment, without using Zoox property or equipment. Shande sued Zoox over its alleged interference with his sale and distribution of the content. Zoox sought to seal an Employee Proprietary Information and Invention Assignment Agreement executed when Shande accepted employment, asserting that disclosure could place Zoox at a competitive disadvantage.

PROCEDURAL HISTORY

Plaintiff brought claims concerning ownership and use of digital street scenery content, including declaratory relief, copyright infringement, and interference with contract. Defendant filed a motion to seal an employment agreement offered in support of pending dispositive motions. Plaintiff opposed the sealing request, and the district court denied it without prejudice and ordered defendant either to publicly file the agreement, submit a narrower sealing motion, or advise that the exhibit was withdrawn.

DISPOSITION

other

CASES CITED

- *Kamakana v. City and County of Honolulu*, 447 F.3d 1172, 1178 (9th Cir. 2006)
- *Nixon v. Warner Communications, Inc.*, 435 U.S. 589, 597 & n.7 (1978)
- *Ctr. for Auto Safety v. Chrysler Grp., LLC*, 809 F.3d 1092, 1097, 1101-02 (9th Cir. 2016)
- *Virun, Inc. v. Cymbiotika, LLC*, No. 8:22-cv-00325-SSS-DFMx, 2022 WL 17401698, at *2 (C.D. Cal. Aug. 19, 2022)

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