UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF INDIANA, EVANSVILLE DIVISION

Whitledge Tree Service LLC v. State Farm Mutual Automobile Insurance Company; State Farm Fire and Casualty Insurance Co.

Whitledge Tree Service · No. 3:25-cv-00031-CSW-RLY · Decided May 18, 2026

SUMMARY

The United States District Court for the Southern District of Indiana denies Whitledge Tree Service LLC's motion to compel discovery in an insurance dispute involving three tree-removal claims. The court holds that the requested Xactimate data and additional Rule 30(b)(6) testimony are irrelevant or disproportionate to the needs of the case, and that communications between an insured and State Farm are protected by Indiana's insurer-insured privilege. The court also denies Whitledge's request for attorney's fees and expenses.

CASE DETAILS

COURT	United States District Court for the Southern District of Indiana, Evansville Division
WRITING FOR THE COURT	Crystal S. Wildeman
JURISDICTION	United States District Court for the Southern District of Indiana, Evansville Division
DECIDED	May 18, 2026
DOCKET	3:25-cv-00031-CSW-RLY
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved to compel discovery, including production of Xactimate-related information, unredacted insured-insurer communications, additional Rule 30(b)(6) testimony, and attorney fees and expenses. The court denied the motion in its entirety.
STANDARD OF REVIEW	Discovery rulings are reviewed under the court's broad discretion; permissible discovery is limited to nonprivileged matter relevant to a claim or defense and proportional to the needs of the case.
PRECEDENTIAL VALUE	unpublished district court order; persuasive authority only
PARTIES	Whitledge Tree Service LLC v. State Farm Mutual Automobile Insurance Company, State Farm Fire and Casualty Insurance Co.

TOPICS

discovery dispute · insurance · breach of contract · insurance bad faith · civil procedure

PRACTICE AREAS

civil procedure · insurance · contracts · commercial litigation

QUESTIONS PRESENTED

1. Whether Whitledge was entitled to compel broad Xactimate-related discovery concerning tree-removal claims across four states from 2020 to the present.
2. Whether Whitledge was entitled to compel production of two redacted communications between an insured and State Farm.
3. Whether State Farm was required to provide additional Rule 30(b)(6) testimony on broad topics concerning pricing policies, Xactimate training and agreements, end-user-license obligations, and payments on other claims.
4. Whether Whitledge was entitled to expenses and attorney fees under Federal Rule of Civil Procedure 37(a)(5).

HOLDINGS

1. Whitledge was not entitled to compel the requested Xactimate data because the request was insufficiently connected to the three claims at issue and was disproportionate to the needs of the case.
2. Whitledge was not entitled to compel unredacted communications between the insured and State Farm because the communications were protected under Indiana's insured-insurer privilege.
3. Whitledge was not entitled to compel additional Rule 30(b)(6) testimony on Topics 7, 9, 10, and 11.
4. Whitledge was not entitled to attorney fees and expenses because its motion to compel was denied and State Farm's objections and resistance were justified.

KEY QUOTATIONS

> *"Specifically, Federal Rule 26(b)(1) provides that civil litigants are entitled to discover "any nonprivileged matter that is relevant to any party's claim or defense and proportional to the needs of the case.""* (Section II)

> *"The scope of discovery must be "proportional to the needs of the case" in light of, among other factors, "the amount in controversy . . . the importance of the discovery in resolving the issues, and whether the burden or expense of the proposed discovery outweighs its likely benefit.""* (Section III.B)

> *"The insurer-insured privilege is not recognized by federal law."* (Section III.C)

FACTUAL BACKGROUND

After storms damaged trees on three State Farm-insured properties, the property owners contracted with Whitledge to remove the trees and assigned rights to make claims under their insurance policies. Whitledge performed the work and billed State Farm, which paid the homeowners' claims in amounts less than Whitledge's invoices. Whitledge, claiming assignee status, sued State Farm and sought broad discovery concerning State Farm's use of the Xactimate pricing database, communications with an insured, and corporate testimony about pricing and claims handling.

PROCEDURAL HISTORY

Whitledge filed an Indiana state-court action alleging breach of contract, tortious breach of the covenant of good faith and fair dealing, and declaratory judgment against State Farm. State Farm removed the action to federal court under diversity jurisdiction. After written discovery, a discovery dispute conference, and a Rule 30(b)(6) deposition, Whitledge moved to compel; the court denied all requested relief and denied fees.

DISPOSITION

other

CASES CITED

- West v. Wilco Life Ins. Co., 2023 WL 2917059, at *4 (S.D. Ind. Apr. 12, 2023)
- Patterson v. Avery Dennison Corp., 281 F.3d 676, 681 (7th Cir. 2002)
- Bell v. Pension Comm. of ATH Holding Co., LLC, 330 F.R.D. 517, 520 (S.D. Ind. 2018)
- Gregg v. Local 305 Ibew, 2009 WL 1325103, at *8 (N.D. Ind. May 13, 2009)
- Orchestrate HR, Inc. v. Blue Cross & Blue Shield of Kansas, Inc., No. 19-CV-4007-HLT-TJJ, 2021 WL 1635853, at *5 (D. Kan. Apr. 27, 2021)
- Richey v. Chappell, 594 N.E.2d 443, 447 (Ind. 1992)
- Lockhart v. ExamOne WorldWide, Inc., 904 F. Supp. 2d 928, 936 (S.D. Ind. 2012)
- Sanyo Laser Prods. Inc. v. Arista Recs., Inc., 214 F.R.D. 496, 502 (S.D. Ind. 2003)
- Beloit Liquidating Trust v. Century Indem. Co., 2003 WL 355743, at *2 (N.D. Ill. Feb. 13, 2003)
- Bell v. Pension Comm. of ATH Holding Co., LLC, 2018 WL 7350951, at *2 (S.D. Ind. Aug. 16, 2018)
- Integra Bank Corp. v. Fid. & Deposit Co. of Maryland, No. 3:11-CV-00019-RLY, 2014 WL 109105, at *2 (S.D. Ind. Jan. 10, 2014)