1 JOHN C. CRUDEN Acting Assistant Attorney General 2 Environment & Natural Resources Division 3 ROCHELLE L. RUSSELL (CA Bar No. 244992) Trial Attorney U.S. Department of Justice 4 Environment & Natural Resources Division 301 Howard Street, Suite 1050 San Francisco, CA 94105 Tel: (415) 744-6485 Fax: (415) 744-6476 6 Email: rochélle.russell@usdoj.gov Attorney for Defendants 8 9 10 UNITED STATES DISTRICT COURT 11 NORTHERN DISTRICT OF CALIFORNIA OAKLAND DIVISION 12 13 14 Case No. 08-cv-05328 SBA NORTH COAST RIVERS ALLIANCE, a DEFENDANTS' ADMINISTRATIVE MOTION TO FILE UNDER 15 non-profit, unincorporated association, et al., 16 SEAL LIMITED PORTIONS Plaintiffs, OF THE ANSWER 17 v. 18 LISA P. JACKSON, Administrator, ½/ 19 United States Environmental Protection Agency, and the UNITED STATES 20 ENVIRONMENTAL PROTECTION AGENCY. 21 Defendants. 22 23 24 25 26 Stephen L. Johnson was previously named as the lead defendant in this case in his official 27 capacity as Administrator of the United States Environmental Protection Agency. Pursuant to Federal Rule of Civil Procedure 25(d), his successor, Lisa P. Jackson, is automatically substituted as the lead defendant.

Defendants' Administrative Motion to File Under Seal Limited Portions of the Answer

Case No. 08-cv-05328 SBA

Filed 02/02/2009

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Defendants' Administrative Motion to File

Pursuant to Local Rules 7-11 and 79-5, Defendants Lisa P. Jackson, in her official capacity as Administrator of the United States Environmental Protection Agency, and the United States Environmental Protection Agency (collectively, "Defendants" or "EPA"), hereby seek leave from the Court to file under seal limited portions of the Answer that reference certain claimed trade secret and confidential business information. The relief requested in this motion is narrowly tailored and supported by the following:

- 1. Courts have recognized that injury may result from disclosure in litigation of trade secret and confidential business information, such as use of the information by competitors to duplicate products, compete for customers, or otherwise gain a competitive market advantage. See Felix v. Davis Moreno Const., Inc., No. CV F 07-0533 LJO GSA, 2008 WL 3009867, at \*1 (E.D. Cal. Aug. 1, 2008) (citing Intel Corp. v. Via Tech., Inc., 198 F.R.D. 525, 531 (N.D. Cal. 2000)). In light of this potential injury, filings under seal are one of the "primary means by which the courts ensure full disclosure of relevant information, while still preserving the parties' (and third parties') legitimate expectation that confidential business information, proprietary technology and trade secrets will not be publicly disseminated." In re Adobe Systems, Inc. Securities Litigation, 141 F.R.D. 155, 161-62 (N.D. Cal. 1992).
- 2. Plaintiffs' Complaint, see Dkt. 1, challenges EPA's decision to grant emergency exemptions allowing use of two pesticides, CheckMate LBAM-F ("LBAM-F") and CheckMate OLR-F ("OLR-F"), pursuant to the emergency exemption provision in Section 18 of the Federal Insecticide, Fungicide and Rodenticide Act ("FIFRA"), 7 U.S.C. § 136p, and EPA's implementing regulations at 40 C.F.R. part 166. Relevant here, Plaintiffs' Complaint alleges that LBAM-F and OLR-F contain certain inert ingredients, and that EPA failed to adequately consider those inert ingredients in granting the exemptions. See Dkt. 1. at ¶¶ 45, 46, 47, 50, 51 and 59. As explained below, the identities of ingredients other than the active ingredients (i.e., inert ingredients or "other ingredients") in LBAM-F and OLR-F (and other information pertaining to the formulations) have been claimed as confidential by Suterra, LLC, the manufacturer of LBAM-F and OLR-F.
  - 3. Section 10(b) of FIFRA, 7 U.S.C. § 136h(b), limits public disclosure of

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information that contains or relates to trade secrets or confidential business information submitted under the statute.

- 4. EPA's regulations at 40 C.F.R. part 2, subpart B require that information claimed as confidential be protected from public disclosure unless and until the information is determined eligible for public disclosure pursuant to these regulations and all applicable regulatory procedures at 40 C.F.R. part 2, subpart B have been followed. These regulations permit disclosure of such information only under special circumstances, such as when EPA is required to do so pursuant to court order. See 40 C.F.R. § 2.209(d).
- 5. In a letter to EPA dated January 16, 2009 (as well as in earlier communications) Suterra, LLC, the manufacturer of LBAM-F and OLR-F, asserted a claim of confidentiality over the identity of the inert ingredients contained in those pesticides and other information pertaining to the formulations.
- 6. EPA routinely protects the identities of most inert/other ingredients in pesticide products. However, in September 2007, an EPA employee inadvertently provided to the Santa Cruz Sentinel certain information, erroneous in part, concerning the ingredients in OLR-F, which the paper published on September 28, 2007. EPA also is aware that the State of California issued a press release on October 20, 2007, listing the ingredients of LBAM-F. Because Suterra maintains that the identities of the inert/other ingredients of LBAM-F and OLR-F remain subject to a claim of confidentiality, EPA continues to treat this information as confidential business information. See Nat'l Wildlife Fed'n v. EPA, 286 F.3d 554, 576 (D.C. Cir. 2002) ("any protection afforded [confidential business] information was not waived through the inadvertent disclosure of that information by EPA"); United States v. de la Jara, 973 F.2d 746, 749-50 (9th Cir. 1992) (in the event of an involuntary disclosure, a privilege remains preserved if the privilege holder made reasonable efforts to protect and preserve the privilege).
- 7. EPA, in its Answer, can neither admit nor deny the allegations in Plaintiffs' Complaint that relate to the identities of inert ingredients in LBAM-F and OLR-F without revealing information claimed as confidential. Because of the Agency's ongoing obligation to protect business information claimed as confidential, EPA seeks to file under seal its responses to

the paragraphs in Plaintiffs' Complaint that include allegations concerning the identities of inert ingredients in LBAM-F and OLR-F. In particular, EPA requests an order directing the Clerk to file under seal the relevant responses in paragraphs 45, 46, 47, 50, and 59 of the Answer. 8. Should the court grant the relief requested in this motion, EPA will work with

- Plaintiffs and Suterra to develop appropriate procedures to allow for the disclosure of this information in the Answer and subsequent filings to Plaintiffs for purposes of this litigation only through a protective order.
- 9. Counsel for EPA has conferred with counsel for Plaintiffs, who indicates that Plaintiffs will oppose this motion.
- 10. Pursuant to Local Rule 79-5(c), EPA will immediately lodge with the Clerk a proposed order that is narrowly tailored to seal only those portions of the Answer claimed to be sealable – i.e., the relevant portions of the responses in paragraphs 45, 46, 47, 50, and 59 of the Answer. EPA also will lodge with the Clerk: (1) two copies of the unredacted Answer, with the sealable portions flagged and highlighted in yellow, one of which is to be delivered to Chambers; and (2) a redacted version of the Answer that the Clerk may file in the public record should the Court grant the sealing order.

For the foregoing reasons, EPA respectfully requests the Court to direct the Clerk to file under seal the relevant portions of the responses contained in paragraphs 45, 46, 47, 50, and 59 of EPA's Answer, and to file the redacted Answer in the public record pursuant to Local Rule 79-5(c)(5). A proposed order and declaration establishing the confidential nature of the sealable responses is attached.

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Dated: February 2, 2009

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Respectfully submitted,

JOHN C. CRUDEN Acting Assistant Attorney General Environment & Natural Resources Division

/s/ Rochelle L. Russell ROCHELLE L. RUSSELL Trial Attorney U.S. Department of Justice Environment & Natural Resources Division 301 Howard Street, Suite 1050 San Francisco, CA 94105 Attorney for Defendants

## **CERTIFICATE OF SERVICE**

I certify that on <u>February 2, 2009</u>, a true and correct copy of the foregoing **DEFENDANTS' ADMINISTRATIVE MOTION TO FILE UNDER SEAL LIMITED PORTIONS OF THE ANSWER** and attached **PROPOSED ORDER** and **DECLARATION OF DENNIS L. GORRES, JR. IN SUPPORT OF DEFENDANTS' ADMINISTRATIVE MOTION TO FILE UNDER SEAL LIMITED PORTIONS OF THE ANSWER** were served electronically via the Court's e-filing system to Counsel of Record.

/s/ Rochelle L. Russell

ROCHELLE L. RUSSELL