

**SUPREME COURT - STATE OF NEW YORK  
TRIAL TERM, PART 20 NASSAU COUNTY**

**PRESENT:**

*Honorable Karen V. Murphy*  
Justice of the Supreme Court

\_\_\_\_\_ x

**ROSANNE HENDRICKSON and DENNIS  
HENDRICKSON,**

Index No. 20507/07

Plaintiff(s),

Motion Submitted: 4/22/09  
Motion Sequence: 002, 004

-against-

**PHILBOR MOTORS, INC. d/b/a HEMPSTEAD  
FORD, FORD MOTOR COMPANY and COOPER  
TIRE AND RUBBER COMPANY,**

Defendant(s).

\_\_\_\_\_ x

**WILLIAM MALONE,**

Plaintiff(s),

Index No. 10700/08

-against-

**PHILBOR MOTORS, INC. d/b/a HEMPSTEAD  
FORD, FORD MOTOR COMPANY and COOPER  
TIRE AND RUBBER COMPANY and ROSANNE  
HENDRICKSON,**

Defendant(s).

\_\_\_\_\_ x

The following papers read on this motion:

Notice of Motion/Order to Show Cause.....	XX
Answering Papers.....	XX
Reply.....	XX
Briefs:Defendant's/Respondent's.....	XX

Defendant Cooper Tire and Rubber Company (hereinafter "Cooper") moves this Court for a Protective Order pursuant to CPLR § 3103 limiting the use of its protected trade secret property, in anticipation of its disclosure obligations in the instant action. Defendants Philbor Motors, Inc., d/b/a Hempstead Ford and Ford Motor Company (hereinafter "Ford Defendants") cross moved for their own Protective Order. Plaintiffs oppose the requested relief.

The Ford Defendants have withdrawn their motion and it is therefore denied as moot.

The instant action arises out of an automobile accident wherein it is alleged that the faulty design and manufacture of Cooper tires caused Plaintiffs Rosanne Hendrickson and William Malone to become involved in separate automobile accidents wherein they were injured. At the heart of the instant motion is the extent to which defendant Cooper should be required to disclose information, which it deems trade secret property. There is no doubt that all parties agree some type of Protective Order of Confidentiality is warranted. The dispute lies in the arrangements for and circumstances of disclosing the demanded information.

CPLR § 3103 provides that "[t]he court may on motion of any party make a protective order denying, limiting, conditioning or regulating the use of any disclosure device. Such order shall be designed to prevent unreasonable annoyance, expense, embarrassment, disadvantage, or other prejudice to any person or the courts."

Cooper argues that disclosure and use of its trade secret protected property should be strictly limited to use in the instant actions, and therefore there should be no sharing of information with other potential litigants or attorneys involved in actual or potential litigation. Moreover, Cooper argues that any and all trade secret evidence must be returned to it at the end of the litigation. To accomplish this goal, Cooper has agreed that the data would be provided on multiple CDs, which could be downloaded to a computer hard drive that it would provide to Plaintiffs free of charge. At the end of the litigation, the hard drive could be returned to Cooper for appropriate disposal.

Given the number of potential states involved in any future litigation, Cooper argues the rules of each state rather than the Order of this Court should control.

With respect to motion practice, Cooper proposed a sealing order that could protect confidential trade secret evidence from disclosure to other than the Court and counsel for the instant litigants. To the extent that confidential trade secret information makes its way into work product such as internal memos or e-mails, Cooper would be satisfied with a representation from Plaintiffs' counsel that such was destroyed at the end of the litigation.

Cooper's proposed order also limits Plaintiffs' choice of experts to be utilized in the case to those not in competition or employed or expect to be employed by a Cooper competitor during the following two years. While Cooper initially argued that none of the documents should be shown directly to the named Plaintiffs, they have withdrawn from that position.

Plaintiffs argue that since they probably have every document they need, in part from prior litigation, the documents should not be considered confidential. However, it is Plaintiffs' position that the documents provided from other cases are in a completely disorganized fashion, which would make it burdensome and expensive for Plaintiffs to sort through and organize them in a useful fashion.

Plaintiffs further argue that Cooper is wrong to require destruction of work product that may contain confidential trade secret data at the end of the case as it would destroy many hours of work that might be useful for future cases. Moreover, Plaintiffs argue an order with a non-sharing provision is unjust and should be denied.

Plaintiffs argue that they must be permitted to utilize certain otherwise confidential materials in preparation of summation and other aspects of the trial, including but not limited to emailing documents between co-counsel. They further object to the limitation of the use of experts to examine the confidential material and object to any limitation on their clients' ability to review the disclosed information.

Both sides submitted a proposed Protective Order for this Court's review.

In tailoring a Protective Order, the Court's language must provide reasonable and adequate safeguards to prevent the dissemination of the defendant's trade secrets. (*Burwell v. Bic Corporation*, 168 A.D.2d 532, 562 N.Y.S.2d 764 [2d Dept., 1990]). Although CPLR §3101(a) requires "full disclosure of all matters material and necessary in the prosecution or defense of an action," there is no right to uncontrolled or unfettered disclosure. This Court is charged with the supervision of disclosure. How to regulate the terms and conditions of disclosure rest within the Court's discretion. (*Merkos L'Inyonei Chinuch, Inc.*, 59 A.D.3d 408, 873 N.Y.S.2d 145 [2d Dept., 2009]).

The Court orders as follows:

CONFIDENTIAL MATERIAL. Confidential Material shall refer to information and records of Defendant "Cooper", protected as trade secrets. Documents obtained outside the discovery process in the instant case or acquired from persons or legal entities other than Cooper do not constitute Confidential Documents and are not subject to this Order unless

otherwise expressly ordered by the Court. The Court may issue sanctions if it is determined that a party uses, conceals or otherwise withholds unprotected and relevant documents from being produced in this litigation. Records include both electronic records and printed, typewritten, and other tangible records.

**RECORDS.** Records mean information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form. Records includes both electronic records and printed, typewritten, and other tangible records.

**DESIGNATION OF CONFIDENTIAL MATERIAL.** Defendant may only designate documents, or any portion of documents, things and information it produces formally or informally to other parties to this litigation as confidential material, if such documents(s) constitute bona fide trade secret information, and only after review of the documents by an attorney who has in good faith, determined that the documents contain information protected from disclosure by statute, sensitive personal information, trade secrets, or confidential research, development, or commercial information. A certification shall be made concurrently with the disclosure of the document, which shall be executed as a representation to the Court that the attorney has complied with this provision. Information or documents, which are available in the public sector may not be designated as confidential.

Any document designated as "Confidential" by Defendant under the above Paragraphs shall be deemed as a "business record" pursuant to applicable Rules of Evidence, unless Defendant expressly indicates otherwise, in writing at the time of production and such shall be deemed authentic without the necessity of further proof or of further authentication or identification.

The designation of confidential material may be made by any practicable means, including placing on the thing so designated, such that it will not interfere with its legibility, an appropriate notice such as the following: confidential material. Confidential material will be Bates stamped, if appropriate. All materials designated as confidential material shall be treated as such pursuant to the terms of this protective order until further order by the Court.

**OBJECTION TO DESIGNATION.** If any party objects to the designation of any records as confidential material, that party shall promptly notify all other parties, specifying the factual and legal basis for the objection. If a dispute arises that cannot be resolved by agreement, then the dispute will be submitted to the Court. The party requesting confidentiality shall have the burden of establishing a bona fide basis for such assertion within 14 days of a written objection to confidentiality status. The party contesting confidentiality will have 20 days from the date of the filing of Defendant's confidentiality motion in which to respond. Pending such determination, the records shall be maintained as confidential material.

**ACCESS TO CONFIDENTIAL MATERIAL.** Access to confidential material shall be limited to authorized persons, solely in the performance of their duties in connection with trial preparation of this case. Authorized persons are:

(a) Counsel of record for the parties to this civil action and the named plaintiffs and defendants in this litigation, who have consented to this Protective Order and signed the Promise of Confidentiality;

(b) Paralegal, secretarial, administrative, and legal personnel working under the direction and control of those counsel of record, and who have consented to this Protective Order and signed the Promise of Confidentiality;

(c) Outside experts and consultants retained by counsel of record who have first consented to this Protective Order and signed the Promise of Confidentiality and agreed in writing to be bound by its terms;

(d) Authorized persons shall not include any organization nor entity that regularly maintains and/or disseminates documents or information (including abstracts or summaries), or any other records as a service to its members, subscribers, or others;

(e) Further access may be agreed to by the parties documented in writing or requested by any party by motion filed with this Court and approved by this Court.

**PROMISE OF CONFIDENTIALITY.** Each authorized person as defined herein who received access to any confidential material shall first be given a copy of this Protective Order of Confidentiality and advised by the counsel of record making the disclosure that such authorized person must not divulge any confidential material to anyone other than authorized persons in the preparation or trial of this lawsuit. A Promise of Confidentiality consistent with this Order must be signed by each such authorized person receiving any confidential material in advance of receipt. The signed original of each such Promise of Confidentiality shall be provided to counsel of record for Cooper within ten (10) days of execution. In the case of consulting forensic experts, the signed original of the Promise of Confidentiality shall be maintained by the disclosing counsel and provided to counsel of record for Cooper by the earlier of: (a) ten (10) days after the consulting forensic expert is designated as a testifying expert in this lawsuit; or (b) thirty (30) days after the final termination of this action (the earlier of execution of a settlement agreement or entry of a judgment) if the consulting forensic expert is not designated as a testifying expert.

**USE OF CONFIDENTIAL MATERIAL.** Authorized persons shall use the confidential material for the purpose of this lawsuit only.



(a) Without limiting the generality of the foregoing sentence, authorized persons shall not produce, disclose, or otherwise utilize confidential material in any other litigation, whether or not that litigation involves parties to this case.

(b) If any subpoenas, requests for production, or other forms of discovery in connection with other litigation are served on any authorized person, that authorized person will immediately notify Cooper's counsel of record, provide Cooper's counsel of record with a copy of the subpoena or other discovery request, and will consent to and assist in obtaining an order from the appropriate court protecting the confidential material from being disseminated outside the scope of this Protective Order of Confidentiality.

DEPOSITIONS. If any confidential material is used or referred to during any deposition, counsel for Cooper may require that only its representatives, authorized persons, the deponent, the court reporter, and the camera operator (if the deposition is videotaped) shall be present for the portion of the deposition dealing with confidential material. Within forty-five (45) days of receipt of the completed deposition transcript, counsel for Cooper shall designate by page and line the portions for which such claim is made, and give written notice of this designation to all other parties. This designation shall be placed on the first page in the original and all copies of the deposition by the court reporter and by counsel for the parties. Pending such designation, the deposition transcript shall be treated in its entirety as confidential material. All exhibits to the deposition transcript previously designated by Cooper as confidential material shall remain confidential material without need for designation. Those portions of the deposition, which are designated as confidential material shall be bound separately under seal and prominently marked "confidential material subject to Protective Order." The portions of each deposition so designated shall be returned to trial counsel for Cooper within thirty (30) days of final termination of this action (the earlier of execution of a settlement agreement or entry of a judgment).

EVIDENCE AT TRIAL. Prior to seeking to introduce confidential material into evidence, Plaintiffs, Co-Defendants and Intervenors (if any) shall give sufficient advance notice to the Court and to counsel of record for Cooper to allow arrangements to be made for *in camera* treatment of the confidential material. In the event that a transcript of the trial is prepared, any party may request that certain portions thereof, which contain trade secrets or other confidential materials, be filed under seal.

IMPROPER DISCLOSURE. Should any confidential material be disclosed to any unauthorized person, the unauthorized person (a) shall be informed promptly of the provisions of the Protective Order of Confidentiality by the party who first learns of the disclosure, and upon such notice shall be subject to the terms of this Protective Order of Confidentiality; (b) shall be identified immediately to counsel of record for the Producing Party (Cooper); and (c) shall be directed, if within control of a party or his/her/its counsel,

or otherwise asked, to sign a Promise of Confidentiality. At the Producing Party's (Cooper's) sole discretion, such unauthorized person may be required to surrender to Cooper all copies of confidential material in such unauthorized person's possession. The person or entity who caused the unauthorized disclosure shall be responsible for securing the unauthorized person's assent to the Promise of Confidentiality and for all reasonable attorney's fees, costs, and expenses associated with enforcement of this Protective Order of Confidentiality.

**RETURN OF CONFIDENTIAL MATERIAL.** Within thirty (30) days of final termination of this action (the earlier of execution of a settlement agreement or entry of a judgment), counsel of record for each party shall assemble and return to counsel of record for the Producing Party (Cooper) all confidential material produced, including all copies, notes, direct quotes, descriptions, summaries, indices, transcripts, renderings, photographs, recordings, floppy discs, compact discs, DVDs, other magnetic or electronic media, and physical or electronic reproductions of every kind of such confidential material, whether in the possession of said counsel or in the possession of any authorized person who gained access to the confidential material. Accompanying the return of all confidential material, counsel for all parties shall provide to counsel for the Producing Party (Cooper) executed certifications concerning the return of all confidential material, executed by each Counsel for the Plaintiffs, Co-Defendants, and/or Intervenors and executed by each expert and anyone else who had access to such confidential material. If upon the review of the returned confidential material, counsel of record for the Producing Party (Cooper) concludes that not all confidential material has been returned, counsel of record for the Producing Party (Cooper) will provide to counsel of record for the returning party a list of those records by bates stamp number, which were not returned. If counsel of record for returning party is unable to provide or locate those missing records, then counsel of record for the returning party shall execute an affidavit which states: (a) the bates numbers of those records that counsel of record for the returning party was unable to return; (b) that a diligent and thorough search was conducted of all authorized persons who gained access to the confidential material through counsel of record for the returning party and counsel of record for the returning party was unable to find said confidential material; and (c) counsel of record for the returning party does not have said confidential material in his or her possession. Such affidavit shall not relieve counsel for the returning party from their continuing obligation to return the confidential material as set forth in this paragraph.

Plaintiff shall not be limited to the use of an expert, other than they may not utilize one currently in competition with Cooper. At the conclusion of the litigation all notes and documents, including computer data, relative to protected trade secret information shall be returned to Defendants' counsel. Plaintiffs' counsel shall be permitted to share the information ordered disclosed herein with their clients during the pendency of this action. Any notes and documents, including computer data, relative to protected trade secret information shall be returned to Defendants' counsel.

Plaintiffs' counsel and authorized persons as defined in the Confidentiality Order, with whom confidential information is shared during and in connection with the within litigation shall not share any confidential/trade secret information with any parties or counsel in other cases involving any of the parties or products allegedly involved in the instant case.

Plaintiffs' counsel shall be free to use the confidential information in the preparation and presentation of the instant case with the same unfettered access enjoyed by Defendants' counsel subject to the terms of this Confidentiality Order. Counsel shall be permitted to email documents subject to the instant Protective Order to co-counsel in the instant action only. All such email and documents shall be saved and backed up in a separate file, which shall be deleted in its entirety at the end of the litigation, and shall not at any time be saved as part of a full system back-up. This Court does not see the necessity of returning all work product, which has been created by Plaintiffs' counsel and in fact finds that to direct such would deprive counsel **in this case** of the future use of their own thoughts and strategies. However, the work product shall not be shared with counsel on other cases, similar or otherwise.

The foregoing constitutes the Order of this Court.

Dated: June 26, 2009  
Mineola, N.Y.

  
J. S. C.