

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION**

RAI STRATEGIC HOLDINGS, INC. and
R.J. REYNOLDS VAPOR COMPANY,

Plaintiffs and Counterclaim Defendants,

v.

ALTRIA CLIENT SERVICES LLC; PHILIP
MORRIS USA INC.; and PHILIP MORRIS
PRODUCTS S.A.,

Defendants and Counterclaim Plaintiffs.

Case No. 1:20-cv-00393-LO-TCB

[PROPOSED] ORDER GRANTING PM/ALTRIA'S MOTION TO SEAL

This matter is before the Court on the motion (Dkt. 1161) filed by Philip Morris Products S.A., Philip Morris USA Inc., and Altria Client Services, LLC (collectively, "PM/Altria") to seal un-redacted versions of PM/Altria's Motion to Show Cause Why Sanctions Should Not be Imposed and accompanying Exhibits 2-5, 10, and 17 pursuant to Federal Rule of Civil Procedure 5.2(d) and Local Civil Rule 5(C). Because the documents that PM/Altria seeks to seal contain confidential, proprietary, and competitively sensitive business, financial, and design information of RAI Strategic Holdings, Inc. and R.J. Reynolds Vapor Company (collectively, "Reynolds"), Reynolds filed a memorandum in support of PM/Altria's sealing request.

Before this Court may seal documents, it must: "(1) provide public notice of the request to seal and allow interested parties a reasonable opportunity to object, (2) consider less drastic alternatives to sealing the documents, and (3) provide specific reasons and factual findings supporting its decision to seal the documents and for rejecting the alternatives." *Ashcraft v.*

Conoco, Inc., 218 F.3d 288, 302 (4th Cir. 2000) (internal citations omitted). Upon consideration of PM/Altria's motion to seal and its memorandum in support thereof, the Court hereby **FINDS** as follows:

1. The public has received notice of the request to seal and has had reasonable opportunity to object. PM/Altria's sealing motion was publicly docketed in accordance with Local Civil Rule 5. Reynolds has filed a memorandum in support of sealing. The "public has had ample opportunity to object" to PM/Altria's motion and, since "the Court has received no objections," the first requirement under *Ashcraft*, 218 F.3d at 302, has been satisfied. *GTSI Corp. v. Wildflower Int'l, Inc.*, No. 1:09CV123(JCC), 2009 WL 1248114, at *9 (E.D. Va. Apr. 30, 2009); *United States ex rel. Carter v. Halliburton Co.*, No. 1:10CV864 (JCC/TCB), 2011 WL 2077799, at *3 (E.D. Va. May 24, 2011) ("[T]he parties provided public notice of the request to seal that allowed interested parties a reasonable opportunity to object—nearly two weeks.").

2. PM/Altria seeks to seal and redact from the public record only information designated by the parties as confidential. PM/Altria has filed a publicly redacted version of its Motion to Show Cause Why Sanctions Should Not Be Imposed an (Dkt. 1159), in addition to a sealed version (Dkt. 1163), and has redacted only those limited portions it seeks to seal. PM/Altria requested to have only Exhibits 2-5, 10, and 17 filed wholly under seal. This selective and narrow protection of confidential material constitutes the least drastic method of shielding the information at issue. *Adams v. Object Innovation, Inc.*, No. 3:11CV272-REP-DWD, 2011 WL 7042224, at *4 (E.D. Va. Dec. 5, 2011) (The "proposal to redact only the proprietary and confidential information, rather than seal the entirety of his declaration, constitutes the least drastic method of shielding the information at issue."). The public has no legitimate interest in information that is confidential to Reynolds. *Id.* ("[T]here is no legitimate public interest in disclosing the proprietary and

confidential information of [the defendant] ... and disclosure to the public could result in significant damage to the company.”). The information that PM/Altria seeks to seal includes confidential, proprietary, and competitively sensitive business information of Reynolds and/or third parties, each of which could face harm if such information were to be released publicly. Specifically, the sensitive information that PM/Altria moves for leave to file under seal, and to redact from publicly filed versions, includes proprietary and commercially sensitive business, financial, and design information of Reynolds and/or third parties:

- PM/Altria’s Motion to Show Cause Why Sanctions Should Not Be Imposed;
- Exhibit 2, an excerpt from a hearing transcript;
- Exhibit 3, an excerpt from an expert report;
- Exhibit 4, an excerpt from an expert report;
- Exhibit 5, an excerpt from a license agreement draft;
- Exhibit 10, a letter from counsel; and
- Exhibit 17, an excerpt from a deposition transcript.

3. There is support for filing portions of PM/Altria’s Motion to Show Cause Why Sanctions Should Not Be Imposed and accompanying Exhibits 2-5, 10, and 17 under seal. PM/Altria’s Motion to Show Cause Why Sanctions Should Not Be Imposed and accompanying Exhibits 2-5, 10, and 17 contain materials that fall within the scope of the stipulated protective order. Placing these materials under seal is proper because the public’s interest in access is outweighed by a party’s interest in “preserving confidentiality” of the limited amount of confidential information that is “normally unavailable to the public.” *Flexible Benefits Council v. Feltman*, No. 1:08-cv-371-JCC, 2008 WL 4924711, at *1 (E.D. Va. Nov. 13, 2008); *United States ex rel. Carter*, 2011 WL 2077799, at *3.

Therefore, based on the findings above, for good cause shown, it is hereby

ORDERED that the motion is **GRANTED**, and PM/Altria is granted leave to file a **REDACTED** version of PM/Altria's Motion to Show Cause Why Sanctions Should Not Be Imposed.

And to file **UNDER SEAL** un-redacted versions of PM/Altria's Motion to Show Cause Why Sanctions Should Not Be Imposed and accompanying Exhibits 2-5, 10, and 17.

And **FURTHER ORDERED** that un-redacted versions of PM/Altria's Motion to Show Cause Why Sanctions Should Not Be Imposed and accompanying Exhibits 2-5, 10, and 17 shall remain **SEALED** until further order of the Court.

ENTERED this ____ day of _____, 2022.

Alexandria, Virginia

THERESA CARROLL BUCHANAN

UNITED STATES MAGISTRATE JUDGE