Lydall, Inc. v Honeywell Intl. Inc.

2025 NY Slip Op 31972(U)

May 14, 2025

Supreme Court, New York County

Docket Number: Index No. 656935/2021

Judge: Nancy M. Bannon

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SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY

PRESENT: **HON. NANCY M. BANNON** **PART** **61M**

Justice

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LYDALL, INC.,

Plaintiff,

- v –

HONEYWELL INTERNATIONAL INC.,

Defendant.

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INDEX NO. 656935/2021

MOTION DATE 02/03/2025

MOTION SEQ. NO. 027 028

DECISION + ORDER ON MOTION

The following e-filed documents, listed by NYSCEF document number (Motion 027) 519, 520, 521, 522, 523, 530

were read on this motion to/for SEAL.

The following e-filed documents, listed by NYSCEF document number (Motion 028) 524, 525, 526, 527, 528, 529, 531

were read on this motion to/for SEAL.

In this action alleging breach of a Master Supply Agreement (the "MSA"), currently before the court are two motions by the defendant to seal or redact documents pursuant to 22 NYCRR 216.1. By MOT SEQ 027, the defendant seeks to seal or redact its response to the plaintiff's counterstatement of material facts filed in opposition to defendant's motion for summary judgment and an exhibit filed in opposition to that motion (NYSCEF Docs. Nos. 506 and 508). By MOT SEQ 028, the defendant moves to seal or redact its memorandum of law in reply and two exhibits thereto filed in connection to the defendant's motion to exclude testimony and in opposition to the plaintiff's cross-motion to exclude testimony (NYSCEF Docs. Nos. 510, 512-513). In Orders to Show Cause dated December 23, 2024, the court granted the defendant's requests for TROs to maintain the subject documents under seal pending decision on the present motions. The motions are unopposed. The motions are granted in part.

Pursuant to 22 NYCRR 216.1(a), "a court shall not enter an order in any action or proceeding sealing the court records, whether in whole or in part, except upon a written finding

of good cause, which shall specify the grounds thereof. In determining whether good cause has been shown, the court shall consider the interests of the public as well as of the parties." The Appellate Division, First Department, has emphasized that "there is a broad presumption that the public is entitled to access to judicial proceedings and court records." Mosallem v Berenson, 76 AD3d 345, 348 (1st Dept. 2010). Because "confidentiality is clearly the exception, not the rule" (Matter of Hofmann, 284 AD2d 92, 93–94 [1st Dept. 2001]), that Court has authorized sealing "only in strictly limited circumstances." Gryphon Dom. VI, LLC v APP Intl. Fin. Co., 28 AD3d 322, 325 (1st Dept. 2006); see Mosallem v Berenson, supra. The burden is on the party seeking to seal court records to establish "good cause." Maxim, Inc. v Feifer, 145 AD3d 516, 517 (1st Dept. 2017).

Furthermore "[a] finding of 'good cause' presupposes that ... no alternative to sealing can adequately protect the threatened interest." Mancheski v Gabelli Group Capital Partners, 39 AD3d 499, 502 (2nd Dept. 2007) citing In re Herald Co., 734 F2d 93, 100 [2nd Cir. 1984]). Appropriate less restrictive alternative relief may and should be granted to balance the competing interests of public access and the need for secrecy or confidentiality. See Danco Labs v Chemical Works of Gedeon Richter, 274 AD2d 1 (1st Dept. 2000). It is well settled that redaction can be such an appropriate alternative relief. See id.; Jose V. v Smiley & Smiley LLP, 214 AD3d 523 (1st Dept. 2023); Gliklad v Derispaska, 185 AD3d 512 (1st Dept. 2020); Maxim, Inc. v Feifer, 145 AD3d 516 (1st Dept. 2016).

In the business context, good cause may be established where trade secrets are involved (see Matter of Bernstein v On-Line Software Inter. Inc., 232 AD2d 336 [1st Dept. 1996] lv denied 89 NY2d 810 (1997); Matter of Crain Communications, Inc., 135 AD2d 351 [1st Dept. 1987]) or "where the release of documents could threaten a business's competitive advantage. (Matter of Twentieth Century Fox Film Corp., supra at 488)." Mosallem v Berenson, supra at 350; see Vergara v Mission Capital Advisors, LLC, 187 AD3d 495 (1st Dept. 2020); Mancheski v Gabelli Group Capital Partners, supra.

The defendant seeks to seal the deposition transcripts of James A. Carroll (NYSCEF Doc. Nos. 512 and 513) and Golin Kosowitz (NYSCEF Doc. No. 508). The defendant also seeks to redact its response to the plaintiff's counterstatement of material facts file in support of its summary judgment motion (NYSCEF Doc. No. 506) and its reply memorandum of law in

support of its motion to exclude testimony and in opposition to the plaintiff's cross-motion to exclude testimony (NYSCEF Doc. No. 510).

The defendant's proposed redactions, provided to the court via email to the Part 61 Clerk, as to NYSCEF Doc. Nos. 506 and 510, are narrowly tailored to protect pricing information and product specifications. While perhaps not a "trade secret", such information can be critical to maintaining a "competitive advantage." The court, in previous orders, granted requests to redact other materials containing similar content, to "safeguard commercially sensitive information—the pricing and technical specifications of Lydall's flagship products— that would be of no interest to the public." NYSCEF Doc. No. 28. Moreover, the proposed redactions cite to documents that have been previously sealed or redacted by the court in previous orders, including MSA and expert reports prepared by Brian Bergmark and James A. Carroll. The court, for the same reason, likewise finds "good cause" for the narrowly tailored redactions proposed on the instant motions to NYSCEF Doc. Nos. 506 and 510. See Mosallem v Berenson, supra; Vergara v Mission Capital Advisors, LLC, supra; Mancheski v Gabelli Group Capital Partners, supra.

However, as to the Carroll and Kosowitz deposition transcripts, which the defendant seeks to seal in their entirety, the defendant does not meet its burden of demonstrating "good cause." 22 NYCRR 216.1(a). As the court stated in an order dated January 24, 2025, it is "cognizant that the hundreds of pages of these deposition transcripts may well include details of substantially the same sensitive and confidential pricing and product specification information." Here, however, the defendant does not propose any redactions to these transcripts or otherwise identify with any specificity any information contained within them similarly warrants sealing. This is most notable given the specific and narrowly tailored redactions proposed to other previously filed deposition transcripts. As such, the defendant has not met its burden with respect to these documents, as "[a] finding of 'good cause' presupposes that ... no alternative to sealing can adequately protect the threatened interest." Mancheski v Gabelli Group Capital Partners, supra.

Accordingly, upon the foregoing papers, it is

ORDERED that the defendant's motions (MOT SEQ 027 and 028) are granted, without opposition, to the extent that the defendant shall file the redacted version of NYSCEF Doc. Nos.

506 and 510, in the form previously provided to the court, in place of the sealed documents filed at NYCSEF Doc. Nos. 506 and 510, as "good cause" was shown for such redactions, and the motions are otherwise denied, it is further,

ORDERED that service upon the Clerk of the Court of this order shall be made in accordance with the procedures set forth in the *Protocol on Courthouse and County Clerk Procedures for Electronically Filed Cases* (accessible at the "E-Filing" page on the court's website); and it is further

ORDERED that the Clerk of the Court is directed to accept for filing redacted copies of NYSCEF Doc. Nos. 506 and 510 to be available for viewing by the public via NYSCEF, with the redactions limited to those approved herein.

This constitutes the Decision and Order of the court.

NANCY M. BANNON, J.S.C.
HON. NANCY M. BANNON

5/14/2025
DATE

CHECK ONE:		**CASE DISPOSED**			X	**NON-FINAL DISPOSITION**	
		GRANTED		**DENIED**	X	**GRANTED IN PART**	**OTHER**
APPLICATION:		**SETTLE ORDER**				**SUBMIT ORDER**	
CHECK IF APPROPRIATE:		**INCLUDES TRANSFER/REASSIGN**				**FIDUCIARY APPOINTMENT**	**REFERENCE**