

**Grace Holmes, Inc. v Bourbon Sidecar LLC**

2026 NY Slip Op 30368(U)

January 28, 2026

Supreme Court, New York County

Docket Number: Index No. 655249/2025

Judge: Andrea Masley

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This opinion is uncorrected and not selected for official publication.

**SUPREME COURT OF THE STATE OF NEW YORK  
NEW YORK COUNTY**

**PRESENT: HON. ANDREA MASLEY PART 48**

*Justice*

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**INDEX NO. 655249/2025**

GRACE HOLMES, INC. and J. CREW GROUP, LLC

**MOTION DATE -**

Plaintiffs,

**MOTION SEQ. NO. 009**

- v -

BOURBON SIDECAR LLC,

**DECISION + ORDER ON  
MOTION**

Defendant.

-----X

The following e-filed documents, listed by NYSCEF document number (Motion 009) 130, 131, 132, 133, 134, 135, 155, 158, 164, 165, 166, 169

were read on this motion to/for SEAL.

In motion sequence 009, plaintiffs Grace Holmes and J. Crew move pursuant to the Uniform Rules of the New York State Trial Courts (22 NYCRR) § 216.1 to seal/redact the following documents:

1. Sixth Amendment to Lease (See NYSCEF 6.)
2. Sixth Amendment to Lease (See NYSCEF 17.1)

Specifically, plaintiffs argue that these documents reveal the amount of consideration and provisions related to rent, utilities and taxes, and negotiated business terms. The disclosure of this information would provide the parties' competitors necessary to outbid them in contract, and this disclosure would also undercut and disrupt the parties' negotiations with others who may demand similar terms. This motion is unopposed. (See NYSCEF 131.)

<sup>1</sup> Proposed redacted version filed at NYSCEF 133 and 135.

## Legal Standard

“Under New York law, 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] [citations omitted].) The public’s right to access is, however, not absolute, and under certain circumstances, “public inspection of court records has been limited by numerous statutes.” (*Id.* at 349.) For example, § 216.1(a) of the Uniform Rules for Trial Courts, empowers courts to seal documents only upon a written finding of good cause. It provides:

“Except where otherwise provided by statute or rule, 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. Where it appears necessary or desirable, the court may prescribe appropriate notice and opportunity to be heard.” (Uniform Rules for Trial Cts [22 NYCRR] § 216.1 [a].)

The “party seeking to seal court records has the burden to demonstrate compelling circumstances to justify restricting public access” to the documents. (*Mosallem*, 76 AD3d at 349 [citations omitted].) Good cause must “rest on a sound basis or legitimate need to take judicial action.” (*Danco Lab Ltd. v Chemical Works of Gedeon Richter, Ltd.*, 274 AD2d 1, 8 [1st Dept 2000] [internal quotation marks and citation omitted].)

Courts have sealed records where the disclosure of documents “could threaten a business’s competitive advantage.” (*Mosallem*, 76 AD3d at 350-351 [citations omitted].) Similarly, courts have found good cause to redact documents that “contains board resolutions, minutes of . . . board meetings, and internal discussions about equity acquisitions” because this is “competitive business information” and “can be exploited to

the disadvantage of [the company] with no benefit to the public.” (*Continental Industries Group, Inc. v Ustuntas*, 2018 WL 1901982, \*2 [Sup Ct, NY County 2018].)

Additionally, courts have recognized a compelling interest in sealing records that contain financial information and that are of minimal public interest. (See *Dawson v White & Case*, 184 AD2d 246, 247 [1st Dept 1992]; *D’Amour v Ohrenstein & Brown*, 17 Misc 3d 1130[A], 2007 NY Slip Op 52207[U], \*20 [Sup Ct, NY County 2007] [“[d]efendants ought not to be required to make their private financial information public, merely because they have been named as defendants in a lawsuit, where no substantial public interest would be furthered by public access to that information.”].)

The compelling interest in protecting such information also extends to the financial and private information of nonparties to protect such third parties’ privacy rights. (See *Mancheski v Gabelli Group Capital Partners*, 39 AD3d 499, 502 [2d Dept 2007]; *Linkable Networks, Inc. v Mastercard Inc.*, 81 Misc 3d 1235[A], \*7, 2024 NY Slip Op 50077[U], \*3 [Sup Ct, NY County 2023] [“the private financial information of a nonparty should be protected”]; see also *MBIA Ins. Corp. v Countrywide Home Loans, Inc.*, 2013 NY Slip Op 30184[U], \*12 [Sup Ct, NY County 2013] [“[w]hile there may be a public interest in the disclosure of these documents, this interest is more in the nature of curiosity, since these documents do not concern entities at issue in this case.” (citation omitted)].)

Wholesale sealing of documents is generally disfavored. (See *Applehead Pictures LLC v Perelman*, 80 AD3d 181, 192 [1st Dept 2010] [citation omitted].) The law requires that “any order denying access must be narrowly tailored to serve compelling objectives.” (*Danco Lab, Ltd.*, 274 AD2d at 6.) Accordingly, where parties fail “to

propose and justify targeted redactions that satisfy the requirements of 22 NYCRR § 216 [a] and applicable case law,” the sealing motion will be denied. (*Intl. Bus. Machs. Corp. v GlobalFoundries U.S. Inc.*, 2023 NY Slip Op 30203[U], \*3 [Sup Ct, NY County 2023] [internal quotation marks and citation omitted]; see also *Danco*, 274 AD2d at 8 [holding that the “failure to target precise areas where redaction should occur violated section 216.1(a)”].)

Further, the fact that some of the agreements contain a confidentiality provision does not alter the analysis. First, the parties’ “designation of the materials as confidential . . . is not controlling on the court’s determination whether there is good cause to seal.” (*Eusini v Pioneer Elecs. (USA), Inc.*, 29 AD3d 623, 626 [2d Dept 2006]; see also *In re Will of Hofmann*, 284 AD2d 92, 93-94 [1st Dept 2001] “[c]onfidentiality is clearly the exception, not the rule, and the court is always required to make an independent determination of good cause.”.) Second, “a party’s reliance on the parties’ confidentiality provision is insufficient to support sealing of a document.” (*Abad v iAero Group Holdco 2 LLC*, 2022 NY Slip Op 32982[U], \*4 [Sup Ct, NY County 2022]; see also *Employees Retirement Sys. for the City of Providence v Rohner*, 2025 NY Slip Op 31327[U], \*11 [Sup Ct, NY County 2025] “[a] confidentiality agreement entered for purposes of exchanging information does not constitute good cause to seal . . . it demonstrates the steps taken to protect confidential information and can lend support to an argument for redacting.”.)

Plaintiffs seek partial sealing of the proposed documents, not the entire documents; namely the “Now therefore clause” which reveals the consideration exchanged between the parties and Clause 3 of the Lease which stipulates financial

information. Further, where they have used their confidentiality provision as a basis for redaction; they do not entirely rely on it. Instead, they narrow down provisions most harmful to their competitive edge including rent amounts, monthly installments, base taxes, tax excess payment and the tenant's obligation to pay. Such information will meet the good cause requirement in light of the above case law as we are inclined to seal information between private parties in the absence of public interest and the prevalent danger of competitive harm.

Accordingly,

ORDERED that motion sequence 009 is granted; and it is further

ORDERED that the County Clerk, upon service of this order, is directed to seal NYSCEF 6, 17, 133, and 135; and it is further

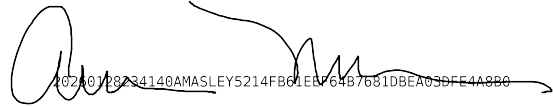
ORDERED that the County Clerk shall restrict access to the sealed documents with access to be granted only to authorized court personnel and designees, the parties and counsel of record in this action, and any representative of a party or of counsel of record upon presentation to the County Clerk of written authorization from counsel; and it is further

ORDERED that movants shall serve a copy of this order on the County Clerk in accordance with the procedures set forth in the Protocol on Courthouse County Clerk Procedures for Electronically Filed Cases (accessible at the "E-Filing" page on the court's website at the address [www.nycourts.gov/supctmanh](http://www.nycourts.gov/supctmanh)); and it is further

ORDERED that if any party seeks to redact identical information in future filings that the court is permitting to be redacted here, that party shall submit a proposed

sealing order to the court (via sfc-part48@nycourts.gov and NYSCEF) instead of filing another seal motion; and it is further

ORDERED that this order does not authorize sealing or redacting for the purposes of trial or other court proceedings on the record, e.g. arguments on motions.



1/28/2026

DATE

ANDREA MASLEY, J.S.C.

CHECK ONE:

CASE DISPOSED

NON-FINAL DISPOSITION

GRANTED

DENIED

GRANTED IN PART

OTHER

APPLICATION:

SETTLE ORDER

SUBMIT ORDER

CHECK IF APPROPRIATE:

INCLUDES TRANSFER/REASSIGN

FIDUCIARY APPOINTMENT

REFERENCE