

Grace Holmes, Inc. v Bourbon Sidecar LLC

2026 NY Slip Op 30369(U)

January 31, 2026

Supreme Court, New York County

Docket Number: Index No. 655249/2025

Judge: Andrea Masley

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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION PART 48

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

INDEX NO. 655249/2025

MOTION DATE _____

- v -

BOURBON SIDECAR LLC,
Defendant.

MOTION SEQ. NO. 010

**DECISION + ORDER ON
MOTION**

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HON. ANDREA MASLEY:

The following e-filed documents, listed by NYSCEF document number (Motion 010) 145, 146, 147, 148, 149, 150, 151, 154, 159, 167, 168, 219

were read on this motion to/for SEAL.

In motion sequence 010, defendant Bourbon Sidecar LLC move pursuant to the Uniform Rules of the New York State Trial Courts (22 NYCRR) § 216.1 to seal or redact the following documents:

1. Landlord’s Memorandum of Law in Support of its Motion to Dismiss (Landlord MTD) (NYSCEF 101¹) and email attachments. (NYSCEF 138², 139³, and 140⁴);
2. The Lease (NYSCEF 36, 61, and 141⁵);
3. Proposed Sixth Amendment to the Lease. (NYSCEF 82, 83, 84, 86, 87, 88.)
NYSCEF 32, 46, 47, 48, 61, 72, 73, 74, 106 and 108 may be publicly filed with partial redactions. The lease and these documents were already sealed

¹ Publicly redacted version filed as NYSCEF 108.

² Proposed redactions version filed as NYSCEF 149 and publicly redacted version at NYSCEF 142.

³ Proposed redactions version filed as NYSCEF 150 and publicly redacted version at NYSCEF 143.

⁴ Proposed redactions version filed as NYSCEF 151 and publicly redacted version at NYSCEF 144.

⁵ Proposed redacted version filed as NYSCEF 148 and publicly redacted version filed as NYSCEF 137.

pursuant to October 31, 2025 Order.⁶ Defendant seeks to have these documents remain under seal.

4. Landlord's Memorandum of Law in Opposition to Plaintiff's Motion for Preliminary Injunction. (NYSCEF 212⁷.)

Defendant submits this application in compliance with the court order dated October 25, 2025, directing defendant to refile an application within 10 days of the order to seal portions of the documents that contain competitive business information and to submit an affirmation of a person with knowledge explaining why certain documents must be sealed. Defendant argues that the proposed portions of the documents contain sensitive information which if revealed to competitors would give them an unfair advantage.

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].)

⁶ See NYSCEF 129.

⁷ Publicly redacted version filed at NYSCEF 63.

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].)

Discussion

Defendant seeks to redact information limited to sensitive and negotiated lease terms between the parties which are divided into four categories. First, Inducement Provisions which include the definition of “Net Worth Requirement,” “Sublet” and “Assignment, Gross Sales, Guaranty Consideration”. According to defendant, these provisions contain sensitive and negotiated information because they are party-specific and vary depending on a particular party’s bargaining power. Specifically, these provisions are negotiated to get the parties to agree to the terms of the agreement and their disclosure would provide competitors with an unearned competitive advantage.

Second, Party Specific Pricing Terms include Rent terms, Minor Alterations Threshold, Gross Sales, First, Second, Third, Fourth, Fifth, and Sixth Amendments to the Lease). Defendant claims that these terms consist of sensitive and negotiated pricing information not limited to just rent payments. Disclosure of such terms would award competitors with a competitive advantage as the concessions made by the Defendant specific to party would be revealed.

Third, Negotiated Remedy Provisions include information regarding the use, occupancy, potential landlord delays, default, fees, expenses, duration of the term,

escalation, services, indemnification, arbitration fees, and the Second Amendment to the Lease. Defendant argues that these terms reveal the bargaining power of the parties.

Fourth, Party Specific Representations include information pertaining to security agreements and alterations. Again, defendant argues that disclosure of such sensitive and party specific terms would provide competitors with an unearned competitive advantage to the extent they are not offered the same terms on a similar basis. Defendants have shown good cause to redact the proposed documents because their proposed redactions are narrowly tailored to information that is not relevant to parties outside the lease agreement.

Accordingly, it is

ORDERED that motion sequence 010 is granted; and it is further

ORDERED that the County Clerk, upon service of this order, is directed to seal NYSCEF 82, 83, 84, 86, 87, 88, 148, 149, 150, 151; 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); 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.

Andrea Masley
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<u>1/31/2026</u> DATE					_____ ANDREA MASLEY, J.S.C.
CHECK ONE:	<input type="checkbox"/>	CASE DISPOSED	<input checked="" type="checkbox"/>	NON-FINAL DISPOSITION	
	<input checked="" type="checkbox"/>	GRANTED	<input type="checkbox"/>	DENIED	<input type="checkbox"/>
APPLICATION:	<input type="checkbox"/>	SETTLE ORDER	<input type="checkbox"/>	GRANTED IN PART	<input type="checkbox"/>
CHECK IF APPROPRIATE:	<input type="checkbox"/>	INCLUDES TRANSFER/REASSIGN	<input type="checkbox"/>	SUBMIT ORDER	<input type="checkbox"/>
			<input type="checkbox"/>	FIDUCIARY APPOINTMENT	<input type="checkbox"/>
				REFERENCE	