

United States District Court
Northern District of California

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

SYNOPSYS, INC.,
Plaintiff,
v.
SIEMENS INDUSTRY SOFTWARE INC.,
Defendant.

Case No. 20-cv-04151-WHO

**ORDER DENYING MOTION TO
STAY; DENYING MOTION FOR
LEAVE TO FILE SUR-REPLY; AND
GRANTING IN PART AND DENYING
IN PART MOTIONS TO SEAL**

Re: Dkt. Nos. 68, 69, 72, 80, 84, 85

INTRODUCTION

This is a patent litigation case in which plaintiff Synopsys, Inc. (“Synopsys”) accuses defendant Siemens Industry Software Inc.’s (“Siemens”) Aprisa product of infringing four of Synopsys’s patents. Siemens moves to stay the action under the Federal Arbitration Act (“FAA”), arguing that the most recent updated release of its Aprisa product is covered by a licensing agreement between the parties and that the parties have agreed to arbitrate any disputes relating to the scope of that license. But as Synopsys argues, the conditions precedent for arbitration set out in the licensing agreement have not yet been met and there is currently no ripe issue referable to arbitration. Siemens’s motion to stay is DENIED WITHOUT PREJUDICE.¹ Siemens may move to stay this action again if and when the conditions precedent to arbitration have been satisfied. In addition, the parties’ motions to seal are GRANTED IN PART and DENIED IN PART.

BACKGROUND

I. PATENT LICENSING & SETTLEMENT AGREEMENT BETWEEN SIEMENS & SYNOPSYS

In June 2018 Synopsys, Siemens AG, the parent company of defendant Siemens, and

¹ Synopsys’s motion for leave to file a sur-reply is DENIED.

1 Mentor Graphics, an indirect subsidiary of Siemens AG, entered into a Patent Licensing and
 2 Settlement Agreement (“PLSA”) to resolve 22 separate actions between the corporate families.
 3 *See* Dkt. No. 68-9 (“PLSA”) § 4.1, 5.1. The PLSA grants a license to “Siemens Subsidiaries”
 4 under “Synopsis Patents” to use “Siemens Licensed Products.” *Id.* § 1.17, 1.23.

5 The PLSA includes the following dispute resolution process for any disputes arising out of
 6 the agreement:

7 10.4.1. If any dispute arises in connection with this Agreement, the responsible
 8 representatives of the parties shall attempt, in fair dealing and in good faith, to
 9 settle such dispute. Each party can request from the other party that on both sides a
 10 senior representative becomes involved in the negotiations. Each party is at any
 time entitled to terminate the settlement negotiations and to have recourse to an
 ADR proceeding set forth in Section 10.4.2 through written notification to the other
 party.

11 10.4.2. If the parties are not able to reach an amicable settlement pursuant to
 12 Section 10.4.1 they shall try to agree on an appropriate alternative dispute
 13 resolution (ADR) proceeding (for example mediation, conciliation, expert
 14 determination, dispute board, adjudication). If they do not reach agreement on the
 15 appropriate ADR proceeding within fourteen (14) days after failure of the
 settlement negotiations or if the dispute is not settled through ADR proceeding
 within a period of two (2) months after initiation of the ADR proceeding either
 party may initiate an arbitration proceeding pursuant to Section 10.4.3.

16 10.4.3 All disputes arising out of or in connection with this Agreement, including
 17 any question regarding its existence, validity or termination, shall be finally settled
 18 under the January 1, 1998 Rules of Arbitration of the International Chamber of
 19 Commerce by three (3) arbitrators, with each party nominating an arbitrator and the
 20 third arbitrator, who will act as chairman of the Arbitral Tribunal, nominated by the
 two (2) arbitrators. The seat of arbitration shall be New York, New York. The
 procedural law of this seat applicable to international arbitration proceedings shall
 apply where the Rules are silent. The language to be used in the arbitration
 proceedings shall be English.

21 *Id.* §§ 10.4.1, 10.4.2, 10.4.3.

22 **II. CURRENT LITIGATION**

23 On June 23, 2020, Synopsis filed the present action against Avatar, alleging that Avatar’s
 24 Aprisa product infringed several Synopsis patents. *See* Dkt. No. 1. Shortly after this action was
 25 filed, Siemens publicly announced that it had entered into an agreement to acquire Avatar. *See*
 26 Dkt. No. 4. On December 1, 2020, Avatar merged into Siemens and ceased to exist as a stand-
 27 alone entity. *See* Dkt. No. 51. The parties subsequently stipulated to substitute Siemens as
 28 defendant for Avatar. *See* Dkt. Nos. 58, 59.

1 On December 15, 2020, Siemens released a new version of its newly acquired Aprisa
2 product, version 20.1.rel.1.0. *See* Dkt. No. 68-8 (“Mot.”). On January 7, 2021, Siemens notified
3 Synopsys of its position that the new 20.1.rel.1.0 release, and any future release, was covered by
4 the parties’ PLSA and therefore licensed as a Siemens Licensed Product under Synopsys’s patents.
5 In light of this position, Siemens requested that Synopsys:

6 (1) file a joint stipulation that Synopsys’s operative complaint does not include
7 claims against Aprisa 20.1.rel.1.0, or subsequent versions, or (2) dismiss without
8 prejudice its claims for ongoing infringement against Aprisa 20.1.rel.1.0., and
subsequent versions, or (3) agree to stay the case with respect to such claims
pending arbitration.

9 Dkt. No. 68-12 (“Pellikan Decl. Ex. 8”) at 1. Siemens also requested that, to the extent Synopsys
10 disputed the 20.1.rel.1.0 release was licensed under the PLSA, that Synopsys

11 “agree to immediately become involved in settlement discussions concerning the
12 parties’ dispute relating to Synopsys’s claims in Synopsys’s Lawsuit about whether
13 defendant’s products (including Aprisa 20.1.rel.1.0 and any subsequent products)
are licensed as ‘Siemens Licensed Products’ under Synopsys’s patents, pursuant to
Sections 1.15 and 3.1.3 of the Agreement.”

14 Dkt. No. 68-11 (“Pellikan Decl., Ex. 7”). On January 21, 2021, Synopsys requested additional
15 information about Aprisa 20.1.rel.1.0 so that Synopsys could assess and determine whether it fell
16 within the scope of the PLSA. Dkt. No. 68-13 (“Pellikan Decl., Ex. 9”) at 1. Since January 27,
17 2021, Synopsys has been working to review and assess the Aprisa source code.

18 Siemens filed a motion to stay this action, pending arbitration, on February 12, 2021. *See*
19 Mot. Synopses filed an opposition to the motion on February 26, 2021, *see* Dkt. No. 72-4
20 (“Opp.”), and Siemens filed a reply on March 5, 2021, *see* Dkt. No. 80-3 (“Reply”). On March
21 11, 2021, Synopsys moved for leave to file a sur-reply, arguing that a sur-reply was justified
22 because Siemens raised new arguments and cases in its reply brief. *See* Dkt. No. 84-6 (“Sur-
23 Reply”).²

24 LEGAL STANDARD

25 Under the Federal Arbitration Act (“FAA”), a party may move to stay an action brought
26

27 ² Synopsys’s motion for leave to file a sur-reply is DENIED. The new arguments and cases
28 Siemens cites in its Reply are in direct response to the arguments raised in Synopsys’s opposition.
It is permissible for Siemens to address these issues in its Reply and Siemens’s Reply arguments
do not warrant Synopsys filing a Sur-Reply.

1 “upon any issue referable to arbitration under an agreement in writing for such arbitration.” 9

2 U.S.C. § 3. Section 3 of the FAA states in full:

3 If any suit or proceeding be brought in any of the courts of the United States upon
4 any issue referable to arbitration under an agreement in writing for such arbitration,
5 the court in which such suit is pending, upon being satisfied that the issue involved
6 in such suit or proceeding is referable to arbitration under such an agreement, shall
7 on application of one of the parties stay the trial of the action until such arbitration
8 has been had in accordance with the terms of the agreement, providing the
9 applicant for the stay is not in default in proceeding with such arbitration.

10 *Id.* If a court determines that a case is “referable to arbitration” the FAA requires the court to stay
11 the action upon a party’s motion. *See Countrywide Home Loans, Inc., v. Mortgage Guar. Ins.*
12 *Corp.*, 642 F.3d 849, 854 (9th Cir. 2011) (noting that the FAA “gives the adjudicating court no
13 discretion as to whether to award relief”).

14 In applying the FAA a court must assess “(1) whether a valid agreement to arbitrate exists,
15 and if it does, (2) whether that agreement encompasses the dispute at issue. If the response is
16 affirmative on both counts, then the Act requires the court to enforce the arbitration agreement in
17 accordance with its terms.” *Chiron Corp. v. Ortho Diagnostic Sys., Inc.*, 207 F.3d 1126, 1130 (9th
18 Cir. 2000). In assessing agreements to arbitrate, courts apply “general state-law principles of
19 contract interpretation, while giving due regard to the federal policy in favor of arbitration by
20 resolving ambiguities as to the scope of arbitration in favor of arbitration.” *Mundi v. Union Sc.*
21 *Life Ins. Co.*, 555 F.3d 1042, 1044 (9th Cir. 2009).

22 **DISCUSSION**

23 **I. MOTION TO STAY**

24 Siemens moves to stay this action under § 3 of the FAA, arguing that there is an arbitrable
25 dispute over whether the 20.1.rel.1.0 release of Aprisa is licensed under the PLSA. Mot. at 9.
26 Synopsys responds that there is not yet any issue referable to arbitration because the parties have
27 not completed the first two steps of the PLSA’s three step grievance procedures. Opp. at 8-9.
28 Although there is no dispute that the parties have not satisfied the conditions precedent to arbitrate
under the PLSA, Siemens asserts that whether the first two steps of the grievance procedures have
been satisfied is an issue to be decided in arbitration, not by this court. Reply at 3-5.

Many of the key issues relevant to this motion are not in dispute. The parties agree that the

1 PLSA contains a valid and enforceable arbitration provision. Mot. at 9; Opp. at 5-6. They also
 2 appear to agree that any dispute as to the scope of the license, and the extent to which it would
 3 cover the 20.1.rel.1.0 release of Aprisa and future versions, should be resolved through the
 4 PLSA's grievance procedures, which includes arbitration as its third and final step. Mot. at 9-10;
 5 Opp. at 6. The parties also appear to agree that the first two steps of the PLSA's grievance
 6 procedures are in progress but have not yet been completed. Mot. at 6, 10; Opp. at 8-9.

7 The primary question then, is whether I should, or must, stay this action under § 3 of the
 8 FAA where (1) the parties have agreed to arbitrate any dispute regarding the scope of the PLSA's
 9 license over the 20.1.rel.1.0 release of Aprisa once the first two steps of the PLSA's grievance
 10 procedures have been satisfied; and (2) the first two steps of the PLSA's grievance procedures
 11 have indisputably not been satisfied. Siemens argues that I must stay the action under these
 12 circumstances because whether the conditions precedent to arbitration under the PLSA have been
 13 met is a question for the arbitrator to decide, not this court. Reply at 3. Synopsys argues that
 14 where it is clear that conditions precedent to arbitration have not been met, a stay under the FAA
 15 is not appropriate. Opp. at 10.

16 I conclude that the parties have not triggered the PLSA's arbitration provision and that a
 17 stay under the FAA is premature. The Supreme Court has repeatedly held that *questions* as to
 18 whether the conditions precedent for arbitration are met should be resolved by an arbitrator. *See*
 19 *John Wiley & Sons, Inc. v. Livingston*, 376 U.S. 543, 557 (1964) ("Once it is determined, as we
 20 have, that the parties are obligated to submit the subject matter of a dispute to arbitration,
 21 'procedural' questions which grow out of the dispute and bear on its final disposition should be
 22 left to the arbitrator."); *Howsam v. Dean Witter Reynolds, Inc.*, 537 U.S. 79, 84 (2002)
 23 (summarizing *John Wiley* as holding "an arbitrator should decide whether the first two steps of a
 24 grievance procedure were completed, where these steps are prerequisites to arbitration"); *BG*
 25 *Group PLC v. Republic of Argentina*, 572 U.S. 25, 35 (2014) ("On the other hand, courts presume
 26 that the parties intend arbitrators, not courts, to decide disputes about the meaning and application
 27 of particular procedural preconditions for the use of arbitration."). The Ninth Circuit has followed
 28 this precedent, explaining that "[P]rocedural' issues [] are presumptively not for the judge, but

1 for an arbitrator, to decide.” *Skivkov v. Artex Risk Sols., Inc.*, 974 F.3d 1051, 1065 (9th Cir. 2020).
2 But these cases are not directly on point because there is no dispute over whether the conditions
3 precedent to arbitration have been met – the parties agree that they have not been met. There is no
4 “procedural issue” for either me or an arbitrator to decide.

5 Cases cited by Snyopsys from the First and Eleventh Circuits, and from one judge in this
6 District, are more on point: They indicate that where it is clear the conditions precedent to an
7 arbitration provision have not been met, the arbitration provision is not triggered, and the FAA’s
8 provisions do not apply. In *Kemiron Atl., Inc. v. Aguakem Int’l, Inc.*, 290 F.3d 1287, 1291 (11th
9 Cir. 2002), the Eleventh Circuit held that a stay under the FAA was not appropriate where
10 mediation was a condition precedent to arbitration under the parties’ arbitration agreement but
11 neither party had requested a mediation. As the court explained, “Because neither party requested
12 mediation, the arbitration provision has not been activated and the FAA does not apply.” *Id.*
13 Similarly, in *HIM Portland, LLC v. DeVito Builders, Inc.*, 317 F.3d 41 (1st Cir. 2003), the First
14 Circuit held that the arbitration provision in the parties’ contract was not triggered because neither
15 had requested mediation. As the court held, “[w]here contracting parties condition an arbitration
16 agreement upon the satisfaction of some condition precedent, the failure to satisfy the specified
17 condition will preclude the parties from compelling arbitration and staying proceedings under the
18 FAA.” *Id.* The Hon. Vaughn Walker followed these precedents in *Mostowfi v. I2 Telecom Int’l,*
19 *Inc.*, Case No. C 03-5784 VRW, 2004 WL 7338797, at *4 (N.D. Cal. May 27, 2004). In that case,
20 Judge Walker declined to compel arbitration where the parties had failed to satisfy the mediation
21 condition precedent to arbitration. *Id.* As he stated, “[b]ecause the parties in this case have
22 included mediation as a condition precedent to arbitration, their failure to attempt to mediate the
23 present dispute precludes the court from compelling arbitration of the claims.” *Id.* As in these
24 cases, I agree that here, where there is no dispute that the parties have not completed the PLSA’s
25 good faith negotiation and ADR grievance procedure steps, which are conditions precedent to
26 arbitration, the arbitration provision is not triggered and a stay is not appropriate under the FAA.

27 Siemens makes several attempts to distinguish *Kemiron*, *HIM Portland*, and *Mostowfi*,
28 none of which is convincing. First, Siemens argues that these cases do not control because they

1 fail to acknowledge *John Wiley, Howsam, or BG Group*. It notes that a Fourth Circuit case,
2 *Chorley Enterprises, Inc. v. Dickey's Barbecue Restaurants, Inc.*, 807 F.3d 553, 565 n. 14 (4th
3 Cir. 2015), endorsed this argument, holding that *Kemiron* and *HIM Portland*, “do not control” on
4 this issue because they “predate, conflict with, or do not consider *Howsam* and *BG Group*.”
5 However, as explained above, the *John Wiley, Howsam, and BG Group* cases all grapple with
6 whether a court or an arbitrator should resolve issues or disputes regarding whether conditions
7 precedent to an arbitration agreement have been met. It is not clear why these cases would apply
8 to the circumstance at issue in *Kemiron, HIM Portland*, or here, where there is no dispute that the
9 conditions precedent to arbitration have not been met. I disagree that these cases contradict the
10 holdings in *Kemiron, HIM Portland, or Mostowfi* or render them unpersuasive in these
11 circumstances.

12 Second, Siemens argues that these cases “fail to recognize that Sections 3 and 4 of the
13 FAA are ‘parallel devices for enforcing an arbitration agreement’” and that a defendant may seek
14 to stay a case pending arbitration without pursuing arbitration. Reply at 4. It is not clear to me
15 how this critique is relevant. While I agree that a stay is a valid remedy under the FAA, regardless
16 of whether a party is actively pursuing arbitration, this does not help resolve the question of
17 whether the arbitration provision in the PLSA has been triggered.

18 Third, Siemens argues that the three cases Synopsys cites are distinguishable because in
19 those cases the parties made no attempt to satisfy the conditions precedent to arbitration, but here
20 “Siemens is attempting to satisfy the PLSA’s conditions for seeking arbitration.” Reply at 5.
21 Siemens highlights that the parties are actively negotiating and have decided that mediation would
22 be appropriate if negotiations fail. *Id.* at 6. These facts do not create a meaningful distinction. In
23 making this argument Siemens admits that it has not yet satisfied “the conditions for seeking
24 arbitration” under the PLSA. *Id.* at 5. Where the conditions for seeking arbitration are clearly not
25 met, the arbitration provision is not triggered and the FAA’s provisions do not apply. *See*
26 *Mostowfi v, 2004 WL 7338797* at *4. While I am encouraged that the parties are complying with
27 their agreement to actively negotiate and attempt to resolve this issue pursuant to the grievance
28 procedures, their ongoing cooperation does not make a strong case for staying the case now under

1 the FAA.

2 Fourth, Siemens argues that denying its motion to stay would be contrary to the goals and
3 purpose of the FAA, which is to “move the parties to an arbitrable dispute out of court and into
4 arbitration as quickly and easily as possible.” Reply at 6 (quoting *Moses H. Cone Mem’l Hosp. v.*
5 *Mercury Constr. Corp.*, 460 U.S. 1, 22 (1983)). It notes that the parties’ three step grievance
6 procedure is a “less adversarial and less expensive process for resolving disputes, reflecting of
7 their intent to avoid litigation.” Reply at 6. Siemens asserts that requiring it to satisfy the
8 “agreed-to pre-arbitration dispute resolution procedures” before imposing a stay of this litigation
9 frustrates the FAA, which is meant “to provide arbitration as an *alternative* to litigation for parties
10 that so desire.” Reply at 6. But it is the parties’ own contractual terms and self-selected grievance
11 procedures that pose a current bar to arbitration, not this court. The purpose of the FAA is not to
12 move parties out of court generally, but to promote “unobstructed enforcement of arbitration
13 agreements” pursuant to the terms and conditions the parties have selected. *Moses H. Cone*, 460
14 U.S. at 23. Because the parties’ chosen grievance procedures involve two conditions precedent to
15 arbitration, and because those conditions have not been satisfied, remedies under the FAA are not
16 yet appropriate.

17 On these facts, I conclude that the arbitration provision in the parties’ PLSA has not yet
18 been triggered and that a stay under the FAA is therefore premature. When the preconditions have
19 been satisfied, Siemens may renew this motion if Synopsys refuses to arbitrate.

20 **II. MOTIONS TO SEAL**

21 The parties move to seal a number of documents associated with their briefing on
22 Siemens’s motion to stay. *See* Dkt. Nos. 68, 72, 80, 84. Under Ninth Circuit law a party must
23 demonstrate “compelling reasons” to seal any motion-related filings where “the motion at issue is
24 more than tangentially related to the underlying cause of action.” *Ctr. for Auto Safety v. Chrysler*
25 *Grp.*, 809 F.3d 1092, 1096-99 (9th Cir. 2016). The parties’ submissions regarding Siemens’s
26 motion to stay are subject to this “compelling reasons” standard because the motion relates to
27 Siemens’s affirmative defense that version 20.1.rel.1.0 and subsequent versions of Aprisa are
28 licensed under the PLSA. What constitutes a compelling reason is “left to the sound discretion of

1 the trial court.” *Nixon v. Warner Commnc ’ns, Inc.*, 435 U.S... 589, 598 (1978). However, the
2 Ninth Circuit has highlighted that “[e]xamples include when a court record might be used to
3 gratify private spite or promote public scandal, to circulate libelous statements, or as sources of
4 business information that might harm a litigant’s competitive standing.” *Ctr. for Auto Safety*, 809
5 F.3d at 1097.

6 Here, the information the parties seek to seal falls into two main categories: (1)
7 information relating to the existence of and terms of the parties’ PLSA; and (2) technical details
8 regarding Aprisa release 20.1.rel.1.0. As to the first category, courts have found compelling
9 reasons to seal confidential contracts, contract negotiations, and trade secrets where their
10 disclosure might harm a litigant’s competitive standing. *Federal Trade Commission v. Qualcomm*
11 *Inc.*, Case No. 17-CV-00220-LHK, 2019 WL 95922, at *3 (N.D. Cal. Jan. 3, 2019). The parties
12 argue that the PLSA contains “commercially sensitive business information related confidential,
13 financial information such as damage caps, bank account information, and negotiated
14 compensation amounts” and should therefore be sealed in its entirety. *See* Dkt. No. 84 at 2. They
15 also note that the parties agreed that the PLSA, as well as information related to its negotiation,
16 “shall not be disclosed or circulated to the trade or public, or any Third Party.” *Id.*

17 I agree that portions of the PLSA appear commercially sensitive, but the parties’ request to
18 seal the entire PLSA, and any reference or acknowledgement of it, is not realistic. It is not
19 possible to coherently discuss Siemens’s motion to stay without acknowledging the PLSA’s
20 existence and discussing the grievance procedures and arbitration provision the parties agreed to.

21 Further, disclosure of this information is not likely to cause competitive harm to the
22 parties. The parties themselves publicly acknowledge and reference the PLSA and some of its
23 contents, including the parties to the agreement, in their motions to seal. *See e.g.* Dkt. No. 68 at 3;
24 Dkt. No. 72 at 2. In addition, Siemens’s motion to stay pursuant to the FAA makes clear, at least
25 implicitly, that there is an arbitration agreement between the parties. Disclosure of the specific
26 terms of that agreement and the parties’ relatively generic grievance procedures are not likely to
27 cause the parties competitive harm.

28 Accordingly, the parties’ motions to seal are DENIED as to basic facts regarding the PLSA

1 including the existence and name of the agreement, the date of the agreement, and the parties to
2 the agreement. The motions are also DENIED as to any references to or quotations from Section
3 10.4 of the PLSA, detailing the parties' dispute resolution procedures. The motions are
4 GRANTED as to the remaining terms of the PLSA because the document reflects a confidential
5 contract between the parties, disclosure of which could cause competitive harm to the parties, and
6 because these terms are not material to resolution of the motion to stay. Further details on how
7 this ruling impacts the specific documents filed under seal are provided in the chart below.

8 Siemens also seeks to seal specific technical details regarding Aprisa release 20.1.rel.1.0
9 including release notes and source code that it argues contain confidential business and trade
10 secret information regarding the Aprisa technology. *See* Dkt. No. 68 at 4. Siemens notes that it
11 only provides release notes to customers who sign a confidentiality agreement and that disclosure
12 of this information would expose the operation of "certain functionality within the Aprisa software
13 and enable competitors to reverse engineer or otherwise utilize the confidential Aprisa
14 functionality. *Id.* at 4-5. It further argues that Aprisa source code is kept confidential and is a
15 trade secret *Id.* at 5. I agree that disclosure of these technical details regarding the Aprisa
16 technology could cause competitive harm to Siemens and that there are compelling reasons to seal
17 this information. Further, this information is not key to understanding the issues raised by
18 Siemens's motion to stay or my Order. Accordingly, Siemens's motions to seal are GRANTED as
19 to information related to the Aprisa release notes and source code.

20 Full details regarding my rulings and how this impacts the sealing of specific documents
21 are reflected in the below chart. The parties will have 15 days from the date of this order to file
22 any documents where I have indicated new redacted versions are required. The clerk will unseal
23 the indicated documents on the docket.

Document	Sealed Portion	Sealing Justification	Designating Party	Ruling
Dkt. No. 68-8 Siemens's Motion to Stay Pending Arbitration	Redacted excerpts	Confidential contract terms and business information.	Siemens	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement. Siemens to refile a new redacted version of the motion to stay in line with this ruling.
Dkt. No. 68-9 Exhibit 3 to Mot. PLSA	All	Confidential contract terms and business information.	Siemens	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement. Siemens to refile a new redacted version of the PLSA in line with this ruling
Dkt. No. 68-10 Exhibit 6 to Mot. Aprisa Release Notes	All	Confidential release notes	Siemens	GRANTED
Dkt. No. 68-11 Exhibit 7 to Mot. Jan 7, 2021 Letter from Siemens Counsel to Synopsys Counsel	Redacted excerpts	Confidential contract terms and business information.	Siemens	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement. Siemens to refile a new redacted version of the letter in line with this ruling
Dkt. No. 68-12 Exhibit 8 to Mot. Jan 8, 2021 Letter from Siemens Outside Counsel to Synopsys Outside Counsel	Redacted excerpts	Confidential contract terms and business information.	Siemens	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement. Siemens to refile a new redacted version of the letter in line with this ruling

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Dkt. No. 68-13 Exhibit 9 to Mot. Jan 21, 2021 Letter from Synopsys Outside Counsel to Siemens Outside Counsel	Redacted excerpts	Confidential contract terms and business information.	Siemens	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement. Siemens to refile a new redacted version of the letter in line with this ruling
Dkt. No. 68-14 Exhibit 11 to Mot. Feb. 3, 2021 Letter from Siemens Outside Counsel to Synopsys Outside Counsel	Redacted excerpts	Confidential contract terms and business information; technical details regarding Aprisa.	Siemens	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement and technical details regarding Aprisa. Siemens to refile a new redacted version of the letter in line with this ruling
Dkt. No. 72-4 Synopsys's Opposition to Defendant's Motion to Stay Pending Arbitration	Redacted excerpts	Confidential contract terms and business information	Synopsys	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement. Synopsys to refile a new redacted version of its opposition in line with this ruling.
Dkt. No. 72-6 Pursley Decl. ISO Opp.	Redacted excerpts	Confidential contract terms and business information	Synopsys	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement. Synopsys to refile a new redacted version of the declaration in line with this ruling.
Dkt. No. 72-8 Pursley Decl. Ex. 1	Redacted excerpts	Confidential contract terms and business information	Synopsys	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement. Synopsys to refile a new redacted

				version of the letter in line with this ruling.
Dkt. No. 72-10 Singh Decl. ISO Opp.	Redacted excerpts	Confidential contract terms and business information	Synopsys	GRANTED
Dkt. No. 72-12 Singh Decl. Ex. 1	Redacted excerpts	Confidential contract terms and business information	Synopsys	GRANTED
Dkt. No. 80-3 Siemens's Reply ISO Motion to Stay	Redacted excerpts	Confidential contract terms and business information	Siemens	DENIED as to information relating to (1) existence of PLSA; and (2) Section 10.4; GRANTED as to other terms of the agreement. Siemens to refile a new redacted version of the Reply in line with this ruling
Dkt. No. 84-4 Synopsys's Admin Motion to File Sur-Reply	Redacted excerpts	Confidential contract terms and business information	Synopsys	DENIED Dkt. No. 84-4 to be unsealed on the docket.
Dkt. No. 84-6 Synopsys's Proposed Sur-Reply	Redacted excerpts	Confidential contract terms and business information	Synopsys	DENIED Dkt. No. 84-6 to be unsealed on the docket.

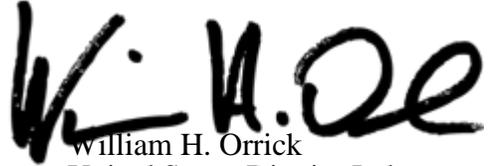
CONCLUSION

For the reasons discussed above, Siemens's motion to stay this action pursuant to § 3 of the FAA is DENIED. Siemens may renew its motion to stay this action if the parties exhaust the other grievance procedures outlined in the PLSA and a dispute remains. Further, Synopsys's motion for leave to file a sur-reply is DENIED. The parties' motions to seal are DENIED IN PART and GRANTED IN PART as reflected in the above chart. The parties will have 15 days from the date

1 of this order to file any new redacted versions of the sealed documents where so ordered.

2 **IT IS SO ORDERED.**

3 Dated: April 2, 2021

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6 William H. Orrick
United States District Judge

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