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May 25, 2017

Via E-Mail (matthew@matthewstrugar.com) & U.S. Mail

Matthew Strugar
3435 Wilshire Blvd.,
Suite 2910,
Los Angeles, CA 90010

Re: **LA Fashion District BID**
Our Client: LA Fashion District BID
Our File No.: 886-04389

Dear Mr. Strugar:

Please accept this letter as a response to your letter of May 19, 2017.

The California Public Records Act ("CPRA") creates exemptions to discovery of certain records, and over time, the California Courts have interpreted some of those exemptions. However, on almost every occasion the Court has interpreted an exemption, it has been on a case-by-case basis. Consequently, contrary to your assertions, there are very few if any hard and fast rules for interpretation of the exemptions. The judicial case-by-case analysis of the exemptions reflects the ultimate standard of balance between the public interest (which does not mean [REDACTED]'s personal interest simply because [REDACTED] is a member of the public) in disclosure, and the public interest in non-disclosure, under California Government Code § 6255.

California Government Code § 6254(k) and California Government Code § 6255 make proprietary commercial information exempt from disclosure. The California privilege for disclosure of proprietary information is also codified by the California Legislature. As I am sure you are aware, commercial proprietary information is information which is valuable because it is unknown to others and gives a commercial entity an opportunity to obtain an advantage over competitors who do not know it; California courts have acknowledged that pricing information is

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proprietary, albeit not in the context of the CPRA, but then that is why California Government Code § 6254(k) applies.

Consequently, the decision of the Los Angeles Fashion District BID to protect the proprietary pricing information for Urban Place Consulting is legitimate and justified. The law does not require that pricing information in the commercial context is only subject to California's protection for proprietary information if it is accompanied by a confidentiality agreement. Furthermore, the CPRA makes clear that not all records in the possession of an entity subject to the CPRA is necessarily subject to disclosure under the CPRA; consequently, the fact that Urban Place Consulting's proprietary pricing information is contained in an otherwise disclosable record is not a waiver of commercial proprietary information.

And to be clear, the Los Angeles Fashion District BID provided [REDACTED] the Urban Place Consulting contract, including the contract price. [REDACTED] has been fully advised of the services to be performed by Urban Place Consulting and the monies the BID is expending for the services of Urban Place Consulting. What the Los Angeles Fashion District BID properly withheld was the hourly rate for the named individuals performing services under the contract and the specific number of hours expected to perform those services, which on its face, would clearly be commercially valuable pricing information the disclosure of which would provide competitors of Urban Place Consulting with an advantage in their pricing negotiations.

The decision of Urban Place Consulting as to that information which it deems proprietary and of commercial value controls the Los Angeles Fashion District BID's decision to redact the hourly rates/dedicated hours for Urban Place Consulting's named individual employees. Ms. Leddy has consulted with Urban Place Consulting, and Urban Place Consulting has made the decision that it will waive this proprietary information in this case, and on that basis alone, I am attaching a copy of the record without the redacted information.

Sincerely,

BRADLEY & GMELICH LLP



Carol Ann Humiston

CAH/lj

cc: Rena M. Leddy
Managing Director
L.A. Fashion District BID