



ATTORNEY GENERAL OF TEXAS  
GREG ABBOTT

December 21, 2005

Ms. Cynthia Villarreal-Reyna  
Agency Counsel Section Chief  
Legal & Compliance Division  
Texas Department of Insurance  
P.O. Box 149104  
Austin, Texas 78714

OR2005-11520

Dear Ms. Villarreal-Reyna:

You ask whether certain information is subject to required public disclosure under the Public Information Act (the "Act"), chapter 552 of the Government Code. Your request was assigned ID# 239370.

The Texas Department of Insurance (the "department") received a request for "the most recent private passenger automobile underwriting guidelines for" Amica Mutual Insurance Company ("Amica"), Mid-Century Insurance Company of Texas ("Mid-Century"), Southern Farm Bureau Casualty Insurance Company ("Southern"), State Farm Mutual Automobile Insurance Company ("State Farm"), and United Services Automobile Association ("USAA"). You claim that a portion of the submitted information is excepted from disclosure pursuant to section 552.137 of the Government Code. Although you take no position regarding the remaining submitted information, you contend that it may contain proprietary information subject to exception under the Act. Accordingly, you state, and provide documentation showing, that you notified the interested third parties of the department's receipt of the request for information and of each company's right to submit arguments to this office as to why the requested information should not be released to the requestor. *See Gov't Code* § 552.305(d); *see also* Open Records Decision No. 542 (1990) (statutory predecessor to section 552.305 permits governmental body to rely on interested third party to raise and explain applicability of exception in the Act in certain circumstances). We have received correspondence from Mid-Century, Southern, and State Farm. We have considered the submitted arguments and reviewed the submitted information.

Initially, you inform us that the requested information pertaining to USAA was the subject of a previous request for information, in response to which this office issued Open Records Letter No. 2005-06584 (2005). With regard to information in the current request that is identical to the information previously requested and ruled upon by this office, we conclude that, as we have no indication that the law, facts, and circumstances on which the prior ruling was based have changed, the department must continue to rely on that ruling as a previous determination and withhold or release this information in accordance with Open Records Letter No. 2005-06584 (2005). *See* Open Records Decision No. 673 (2001) (so long as law, facts, and circumstances on which prior ruling was based have not changed, first type of previous determination exists where requested information is precisely same information as was addressed in prior attorney general ruling, ruling is addressed to same governmental body, and ruling concludes that information is or is not excepted from disclosure).

Southern asserts that some of the submitted information is excepted under section 552.104 of the Government Code. Section 552.104 is a discretionary exception that protects only the interests of a governmental body, and not the interests of third parties. *See* Open Records Decision Nos. 592 (1991) (statutory predecessor to section 552.104 designed to protect interests of governmental body in competitive situation, and not interests of private parties submitting information to governmental body), 522 (1989) (discretionary exceptions in general). As the department does not seek to withhold any information pursuant to section 552.104, we find this section does not apply to the submitted information. *See* Open Records Decision No. 592 (1991) (governmental body may waive section 552.104). Therefore, the department may not withhold any of the information at issue pursuant to section 552.104.

Section 552.137 of the Government Code excepts from disclosure “an e-mail address of a member of the public that is provided for the purpose of communicating electronically with a governmental body” unless the member of the public consents to its release or the e-mail address is of a type specifically excluded by subsection (c). *See* Gov’t Code § 552.137(a)-(c). Section 552.137 does not apply to a government employee’s work e-mail address because such an address is not that of the employee as a “member of the public,” but is instead the address of the individual as a government employee. The e-mail address you have marked does not appear to be of a type specifically excluded by section 552.137(c). In addition, you inform us that the department has not received consent for the release of the e-mail address at issue. Therefore, the department must withhold the e-mail address you have marked under section 552.137.

Next, we note an interested third party is allowed ten business days after the date of its receipt of the governmental body’s notice under section 552.305(d) to submit its reasons, if any, as to why requested information relating to that party should be withheld from disclosure. *See* Gov’t Code § 552.305(d)(2)(B). As of the date of this letter, Amica has not submitted any arguments to this office explaining how release of the submitted information would affect its proprietary interests. Therefore, Amica has provided us with no basis to

conclude that it has a protected proprietary interest in the submitted information. *See, e.g.*, Gov't Code § 552.110(b) (to prevent disclosure of commercial or financial information, party must show by specific factual or evidentiary material, not conclusory or generalized allegations, that it actually faces competition and that substantial competitive injury would likely result from disclosure); Open Records Decision Nos. 552 at 5 (1990) (party must establish *prima facie* case that information is trade secret), 542 at 3 (1990). Accordingly, we conclude that the department may not withhold any of the submitted information based on any proprietary interest Amica may have in the information.

Mid-Century, Southern, and State Farm each assert that its respective information is excepted from disclosure under section 552.110 of the Government Code. Section 552.110(a) excepts from disclosure “[a] trade secret obtained from a person and privileged or confidential by statute or judicial decision.” Gov't Code § 552.110(a). The Texas Supreme Court has adopted the definition of trade secret from section 757 of the Restatement of Torts. *Hyde Corp. v. Huffines*, 314 S.W.2d 763 (Tex. 1958); *see also* Open Records Decision No. 552 at 2 (1990). Section 757 provides that a trade secret is

any formula, pattern, device or compilation of information which is used in one's business, and which gives him an opportunity to obtain an advantage over competitors who do not know or use it. It may be a formula for a chemical compound, a process of manufacturing, treating or preserving materials, a pattern for a machine or other device, or a list of customers. It differs from other secret information in a business . . . in that it is not simply information as to single or ephemeral events in the conduct of the business. . . . A trade secret is a process or device for continuous use in the operation of the business. . . . [It may] relate to the sale of goods or to other operations in the business, such as a code for determining discounts, rebates or other concessions in a price list or catalogue, or a list of specialized customers, or a method of bookkeeping or other office management.

RESTATEMENT OF TORTS § 757 cmt. b (1939); *see also Huffines*, 314 S.W.2d at 776. In determining whether particular information constitutes a trade secret, this office considers the Restatement's definition of trade secret as well as the Restatement's list of six trade secret factors.<sup>1</sup> RESTATEMENT OF TORTS § 757 cmt. b (1939). This office has held that if a governmental body takes no position with regard to the application of the trade secret

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<sup>1</sup>The following are the six factors that the Restatement gives as indicia of whether information constitutes a trade secret: (1) the extent to which the information is known outside of [the company]; (2) the extent to which it is known by employees and others involved in [the company's] business; (3) the extent of measures taken by [the company] to guard the secrecy of the information; (4) the value of the information to [the company] and [its] competitors; (5) the amount of effort or money expended by [the company] in developing the information; (6) the ease or difficulty with which the information could be properly acquired or duplicated by others. RESTATEMENT OF TORTS § 757 cmt. b (1939); *see also* Open Records Decision Nos. 319 at 2 (1982), 306 at 2 (1982), 255 at 2 (1980).

branch of section 552.110 to requested information, we must accept a private person's claim for exception as valid under that branch if that person establishes a *prima facie* case for exception and no argument is submitted that rebuts the claim as a matter of law. Open Records Decision No. 552 at 5-6 (1990). However, we cannot conclude that section 552.110(a) applies unless it has been shown that the information meets the definition of a trade secret and the necessary factors have been demonstrated to establish a trade secret claim. *See* Open Records Decision No. 402 (1983).

Having considered the arguments of Mid-Century, Southern, and State Farm and reviewed the information at issue, we find that the underwriting guidelines of Mid-Century, Southern, and State Farm constitute trade secrets for purposes of section 552.110(a). We thus determine that Mid-Century, Southern, and State Farm have made *prima facie* cases under section 552.110(a) for that information, and we have received no arguments to rebut their claims. Accordingly, the department must withhold the underwriting guidelines of Mid-Century, Southern, and State Farm in the submitted information pursuant to section 552.110(a) of the Government Code.

In summary, assuming that the four criteria for a "previous determination" have been met, the department must continue to rely on Open Records Letter No. 2005-06584 with respect to USAA's information. The department must withhold the e-mail address you have marked under section 552.137 of the Government Code. The department must also withhold the underwriting guidelines of Mid-Century, Southern, and State Farm pursuant to section 552.110(a) of the Government Code. The remaining submitted information must be released to the requestor.<sup>2</sup>

This letter ruling is limited to the particular records at issue in this request and limited to the facts as presented to us; therefore, this ruling must not be relied upon as a previous determination regarding any other records or any other circumstances.

This ruling triggers important deadlines regarding the rights and responsibilities of the governmental body and of the requestor. For example, governmental bodies are prohibited from asking the attorney general to reconsider this ruling. Gov't Code § 552.301(f). If the governmental body wants to challenge this ruling, the governmental body must appeal by filing suit in Travis County within 30 calendar days. *Id.* § 552.324(b). In order to get the full benefit of such an appeal, the governmental body must file suit within 10 calendar days. *Id.* § 552.353(b)(3), (c). If the governmental body does not appeal this ruling and the governmental body does not comply with it, then both the requestor and the attorney general have the right to file suit against the governmental body to enforce this ruling. *Id.* § 552.321(a).

If this ruling requires the governmental body to release all or part of the requested information, the governmental body is responsible for taking the next step. Based on the

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<sup>2</sup>As our ruling is dispositive, we need not address State Farm's arguments under section 552.110(b).

statute, the attorney general expects that, upon receiving this ruling, the governmental body will either release the public records promptly pursuant to section 552.221(a) of the Government Code or file a lawsuit challenging this ruling pursuant to section 552.324 of the Government Code. If the governmental body fails to do one of these things, then the requestor should report that failure to the attorney general's Open Government Hotline, toll free, at (877) 673-6839. The requestor may also file a complaint with the district or county attorney. *Id.* § 552.3215(e).

If this ruling requires or permits the governmental body to withhold all or some of the requested information, the requestor can appeal that decision by suing the governmental body. *Id.* § 552.321(a); *Texas Dep't of Pub. Safety v. Gilbreath*, 842 S.W.2d 408, 411 (Tex. App.—Austin 1992, no writ).

Please remember that under the Act the release of information triggers certain procedures for costs and charges to the requestor. If records are released in compliance with this ruling, be sure that all charges for the information are at or below the legal amounts. Questions or complaints about over-charging must be directed to Hadassah Schloss at the Office of the Attorney General at (512) 475-2497.

If the governmental body, the requestor, or any other person has questions or comments about this ruling, they may contact our office. Although there is no statutory deadline for contacting us, the attorney general prefers to receive any comments within 10 calendar days of the date of this ruling.

Sincerely,



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Assistant Attorney General  
Open Records Division

LJJ/segh

Ref: ID# 239370

Enc. Submitted documents

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