State of N.C. v. TikTok Inc., 2025 NCBC Order 60.

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| STATE OF NORTH CAROLINA<br><br>WAKE COUNTY | IN THE GENERAL COURT OF JUSTICE<br>SUPERIOR COURT DIVISION<br>24CV032063-910 |
| STATE OF NORTH CAROLINA, ex rel. JEFFREY N. JACKSON, ATTORNEY GENERAL,<br><br>Plaintiff,<br><br>v.<br><br>TIKTOK INC.; TIKTOK U.S. DATA SECURITY INC.; TIKTOK LLC; TIKTOK PTE. LTD.; TIKTOK, LTD.; BYTEDANCE INC.; and BYTEDANCE LTD.,<br><br>Defendants. | **ORDER ON MOTION TO SEAL** |

1. The State of North Carolina has moved to file its complaint under seal at the request of Defendants and certain nonparties. (*See* Mot. Seal, ECF No. 5.) Having carefully considered the briefing and the asserted grounds for sealing, the Court **DENIES** the motion.

2. In this case, the State has sued the owners and operators of TikTok, a popular app for sharing and viewing user-created videos. According to the State, the makers of TikTok designed the app to be highly addictive to minors and then undertook a deceptive publicity campaign to convince parents and children that the app is safe. On that basis, the State asserts a claim for unfair or deceptive trade practices under N.C.G.S. § 75-1.1.

3. At the outset, the State filed its complaint provisionally under seal, along with a motion to seal and a redacted, public version of the complaint. The State does not concede that any part of the complaint should remain sealed. Rather, it states

that portions of the complaint discuss material designated as confidential by Defendants and nonparties Apple Inc., Google LLC, and FTI Consulting, Inc. during a presuit investigation by the attorneys general of North Carolina and several sister States. (*See* Compl., ECF No. 3; Compl. Pub. Vers., ECF No. 6; Mot. Seal ¶¶ 2–5, 8.)

4. Defendants and Apple maintain that the complaint should be sealed. Each filed a brief in support of sealing along with several exhibits. FTI, however, chose not to file a brief and no longer claims that its information is confidential. Google also chose not to file a brief, deferring instead to Defendants. (*See* Defs.' Br., ECF Nos. 16, 16.1–.4; Apple's Br., ECF Nos. 18, 19; Decl. C. White Exs. A, B, ECF No. 15.)

5. The presumption is that court filings are public records. *See Doe v. Doe*, 263 N.C. App. 68, 79–81 (2018). They must be "open to the inspection of the public," except as prohibited by law. N.C.G.S. § 7A-109(a); *see Virmani v. Presbyterian Health Servs. Corp.*, 350 N.C. 449, 463 (1999). For that reason, the burden is on the designating party to overcome that presumption. *See* BCR 5.1(c); *PDF Elec. & Supply Co., LLC v. Jacobsen*, 2020 NCBC LEXIS 80, at *4 (N.C. Super. Ct. July 8, 2020). To meet its burden, the designating party must clearly articulate "the circumstances that warrant sealing the document" in a motion to seal or supporting brief. BCR 5.2(b)(2). "Cryptic or conclusory claims of confidentiality won't do." *Addison Whitney, LLC v. Cashion*, 2020 NCBC LEXIS 74, at *4 (N.C. Super. Ct. June 10, 2020). And "[s]ome showing of harm is essential." *Id.* at *5. The designating party must explain how public "disclosure would cause serious harm" that outweighs the public's interest

in open courts. *Lovell v. Chesson*, 2019 NCBC LEXIS 76, at *5 (N.C. Super. Ct. Oct. 28, 2019).

6. The Court begins with Apple's argument, which is limited to paragraphs 40 and 44 of the complaint. Paragraph 40 states how many times North Carolinians downloaded TikTok from Apple's App Store between 2018 and 2023, as well as the total amount of in-app payments made by users with Apple devices. Paragraph 44 generally states that Defendants advertised TikTok in the App Store, including to minors. Although Apple asserts that this data and information is sensitive (and even deserving of protection as a trade secret), its argument is not convincing. (*See* Apple's Brief ¶ 6.) The disclosure of historical data—going back seven years—about downloads and in-app payments is highly unlikely to cause competitive harm to Apple or Defendants. *See, e.g.*, *Addison Whitney*, 2020 NCBC LEXIS 74, at *5 ("Even competitively valuable information may grow stale over time."). And the discussion of advertisements in the App Store "is far too general to be sensitive." *Harris v. Ten Oaks Mgmt., LLC*, 2023 NCBC LEXIS 91, at *11 (N.C. Super. Ct. July 31, 2023). The Court therefore denies Apple's request.

7. As for Defendants, they seek to redact more than a third of the complaint (narrowed from their original request to redact nearly two-thirds). (*See* Defs.' Notice Withdrawal, ECF No. 41.) According to Defendants, the complaint contains "confidential financial and usage data," "business and marketing strategy" information, "personal information regarding employees," and "highly confidential

proprietary information about the TikTok platform's safety and content moderation systems, processes, and policies." (Defs.' Br. 2–3.)

8. Again, Defendants' argument is not convincing. Several paragraphs recite facts and figures about the number of minors using TikTok, how often minors use the app on average, Defendants' profitability and advertising expenditures, and Defendants' contractual relationship with the National Parent Teacher Association. This information does not appear to be unusually sensitive. And even if it had some competitive value, all or nearly all of the data is years old and, thus, quite stale in an industry that seems to change by the day. (*See, e.g.,* Compl. ¶¶ 41–43, 45, 48, 51, 64, 104, 109, 121, 122, Figures 1, 4, 5.) The Court is not persuaded that disclosure of this information carries a serious risk of competitive harm. *See, e.g.*, *Howard v. IOMAXIS, LLC*, 2023 NCBC LEXIS 134, at *11 (N.C. Super. Ct. Oct. 30, 2023) ("Therefore, the chance that [the defendant] could be harmed competitively by the public disclosure of this information, if such a harm exists at all, is far less now than it would have been in [past years].").

9. A few paragraphs discuss TikTok's features—including its algorithm (or recommendation system), push notifications, and software filters. It may be true that Defendants have a strong interest in keeping TikTok's algorithm secret. But the complaint's general description of the algorithm's operation does not come remotely close to disclosing anything truly secret about it, especially when viewed in context with other paragraphs that Defendants do not seek to redact. (*See* Compl. ¶ 124.) The descriptions of TikTok's notifications and filters are equally general. (*See* Compl.

¶¶ 81, 100.) These high-level descriptions do not merit sealing. *See, e.g.*, *Inline Packaging, LLC v. Graphic Packaging Int'l, Inc.*, 2018 U.S. Dist. LEXIS 234566, at *22 (D. Minn. Mar. 30, 2018) ("The information Inline has generally identified as warranting permanent sealing is largely stale and mostly general in nature or it goes to the very essence of the case presently before the Court.").

10. Defendants also ask to seal Exhibit A to the complaint, which is a video compilation of statements from their employees, ostensibly to protect the employees' personal information. By personal information, Defendants apparently mean the employees' names and job titles. There is no compelling reason to seal that information. The employees' association with the case may entail some embarrassment, but that alone does not outweigh the public's right of access. *See Doe*, 263 N.C. App. at 91 (stating that "an interest in protecting third parties from 'trauma and embarrassment' or 'economic damage' has not been recognized as a compelling state interest outweighing the constitutional right of public access to the records of our courts").

11. The balance of Defendants' argument concerns allegations about its internal and external approaches to compulsive TikTok use by minors. In broad strokes, these allegations describe measures urged by Defendants' employees to mitigate TikTok's addictiveness, resistance to those measures by senior officials, metrics showing that the app's safety features did not work or could be easily evaded, and staff cuts that inhibited Defendants' ability to moderate content in keeping with TikTok's Community Guidelines. (*See* Compl. ¶¶ 115, 116, 129–31, 140, 143, 144, 170–72, 174,

178, 194, 205, 206, 208–14, 216.) These allegations are undoubtedly disputed, and they might be embarrassing, but they are not competitively sensitive. *See, e.g.*, *Fleming v. Horner*, 2020 NCBC LEXIS 88, at *11 (N.C. Super. Ct. July 27, 2020) ("[S]ealing is not warranted merely because allegations are potentially embarrassing or injurious to the reputation of a party."); *Bradshaw v. Maiden,* 2020 NCBC LEXIS 42, at *17 (N.C. Super. Ct. Apr. 7, 2020) (denying motion to seal potentially embarrassing information).

12. Although Defendants suggest that disclosure of some of this information could allow malicious users or other bad actors to circumvent TikTok's safety processes, it is difficult to see how that could be true. The complaint does not provide a roadmap for hackers. Rather, it alleges that Defendants themselves undermined TikTok's safety processes by designing them to fail. Again, Defendants undoubtedly dispute these embarrassing allegations. But the way to set the record straight is through discovery, not by concealing the complaint from the public.

13. For these reasons, the Court **DENIES** the motion to file the complaint under seal, (ECF No. 5), and **ORDERS** the Wake County Clerk of Superior Court to unseal the complaint, (ECF No. 3), as well as Exhibit A to the complaint, within five days of the entry of this Order.

**SO ORDERED**, this the 19th day of August, 2025.

/s/ Adam M. Conrad
Adam M. Conrad
Special Superior Court Judge
for Complex Business Cases