

September 9, 2014

The Honorable Bob Goodlatte
Chairman
Committee on the Judiciary
United States House of Representatives
2138 Rayburn House Office Building
Washington, DC 20515

The Honorable John Conyers, Jr.
Ranking Member
Committee on the Judiciary
United States House of Representatives
B-351 Rayburn House Office Building
Washington, DC 20515

Re: AIPLA Support for H.R. 5233, the Trade Secrets Protection Act of 2014

Dear Chairman Goodlatte and Ranking Member Conyers:

I am writing on behalf of the American Intellectual Property Law Association (AIPLA) to express our support for H.R. 5233, the Trade Secrets Protection Act of 2014, which would amend the Economic Espionage Act of 1996 to create a federal civil remedy for trade secret misappropriation.

AIPLA is a national bar association with approximately 15,000 members who are primarily lawyers in private and corporate practice, government service, and the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved in the practice of patent, trademark, copyright, unfair competition, and trade secret law, as well as other fields of law affecting intellectual property. Our members represent both owners and users of intellectual property.

The economy of the United States depends on the innovations of its businesses. There has been a significant increase in media reports and commentary describing a rise in trade secret theft by foreign hackers, international companies and rogue employees interested in stealing from U.S. businesses. In recognition of that emerging threat, President Obama's Administration released a 140-page report in February 2013 that presented a government-wide strategy designed to combat trade secret theft by hackers, employees, and companies. In that plan, the Administration acknowledged the rapid growth of economic espionage and trade secret theft against U.S. corporations. Additionally, the National Security Agency, which has estimated the losses from the theft of trade secrets to be in excess of \$334 billion per year, described trade secret theft as the greatest transfer of wealth in history.

Although state trade secret laws afford U.S. companies many protections, they may not provide adequate procedures or remedies in all cases of trade secret misappropriation. The ability to

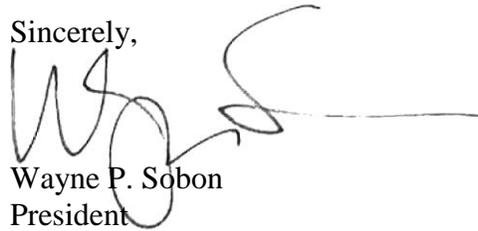
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access the broad jurisdictional powers of federal courts would greatly assist many trade secret claimants.

AIPLA believes that a federal cause of action empowering companies to protect their own trade secrets from misappropriation is imperative. Despite their best efforts, government agencies and prosecutors may not be able to move as quickly or with the nimbleness of a private litigant in some circumstances. Given the importance of speed and injunctive relief in trade secret cases, a federal private right of action would be a powerful tool in the case of trade secret misappropriation.

AIPLA appreciates the Committee's attention to this issue. We believe that the time has come for a federal civil remedy for trade secret misappropriation, and we look forward to working with the Committee on H.R. 5233 as the process moves forward.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wayne P. Sobon', with a long horizontal line extending to the right.

Wayne P. Sobon
President

American Intellectual Property Law Association

cc: Members of the House Judiciary Committee