



President Obama Signs Federal Trade Secrets Bill

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On May 11, 2016, President Obama signed the Defend Trade Secrets Act (DTSA) into law, creating the first federal trade secrets law. Previously, employers protected trade secrets through filing claims brought under various state laws. However, the signing of the new law means that employers will now have a federal statute under which to pursue protection of their trade secrets if those trade secrets are "related to a product or service used in, or intended for use in, interstate or foreign commerce." (Conversely, some employers who hire from competitors -- especially those in industries in which employers pursue trade secret claims aggressively -- should be cognizant of the new federal claims that may be asserted by competitors.) This development brings trade secret law more in line with patents, copyrights, and trademarks, which have long since been protected by federal law. However, the DTSA will not preempt state laws, allowing employers flexibility and choice in their decisions about how to best pursue potential claims.

Practice Areas

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