

## HR 5233

Trade Secrets Protection Act of 2014

**Congress:** 113 (2013–2015, Ended)

**Chamber:** House

**Policy Area:** Crime and Law Enforcement

**Introduced:** Jul 29, 2014

**Current Status:** Placed on the Union Calendar, Calendar No. 494.

**Latest Action:** Placed on the Union Calendar, Calendar No. 494. (Dec 11, 2014)

**Official Text:** <https://www.congress.gov/bill/113th-congress/house-bill/5233>

### Sponsor

**Name:** Rep. Holding, George [R-NC-13]

**Party:** Republican • **State:** NC • **Chamber:** House

### Cosponsors (23 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Chabot, Steve [R-OH-1]	R · OH		Jul 29, 2014
Rep. Coble, Howard [R-NC-6]	R · NC		Jul 29, 2014
Rep. Conyers, John, Jr. [D-MI-13]	D · MI		Jul 29, 2014
Rep. DelBene, Suzan K. [D-WA-1]	D · WA		Jul 29, 2014
Rep. Jeffries, Hakeem S. [D-NY-8]	D · NY		Jul 29, 2014
Rep. Nadler, Jerrold [D-NY-10]	D · NY		Jul 29, 2014
Rep. Richmond, Cedric L. [D-LA-2]	D · LA		Jul 29, 2014
Rep. Collins, Doug [R-GA-9]	R · GA		Jul 31, 2014
Rep. Hanna, Richard L. [R-NY-22]	R · NY		Jul 31, 2014
Rep. Reed, Tom [R-NY-23]	R · NY		Jul 31, 2014
Rep. Sensenbrenner, F. James, Jr. [R-WI-5]	R · WI		Jul 31, 2014
Rep. Smith, Lamar [R-TX-21]	R · TX		Jul 31, 2014
Rep. Deutch, Theodore E. [D-FL-21]	D · FL		Aug 1, 2014
Rep. McHenry, Patrick T. [R-NC-10]	R · NC		Aug 1, 2014
Rep. Smith, Jason [R-MO-8]	R · MO		Aug 1, 2014
Rep. Chaffetz, Jason [R-UT-3]	R · UT		Sep 8, 2014
Rep. Connolly, Gerald E. [D-VA-11]	D · VA		Sep 8, 2014
Rep. Guthrie, Brett [R-KY-2]	R · KY		Sep 9, 2014
Rep. King, Steve [R-IA-4]	R · IA		Sep 15, 2014
Rep. Marino, Tom [R-PA-10]	R · PA		Sep 15, 2014
Rep. Bachus, Spencer [R-AL-6]	R · AL		Sep 17, 2014
Rep. Nunnelee, Alan [R-MS-1]	R · MS		Nov 12, 2014
Rep. Pallone, Frank, Jr. [D-NJ-6]	D · NJ		Nov 12, 2014

## Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	House	Discharged from	Sep 9, 2014

## Subjects & Policy Tags

### Policy Area:

Crime and Law Enforcement

## Related Bills

Bill	Relationship	Last Action
113 S 2267	Related bill	<b>Apr 29, 2014:</b> Read twice and referred to the Committee on the Judiciary.

Trade Secrets Protection Act of 2014 - (Sec. 2) Amends the federal criminal code to authorize an owner of a trade secret related to a product or service used in interstate or foreign commerce, who is aggrieved by a misappropriation of such trade secret, to bring a civil action to obtain appropriate relief. Grants U.S. district courts original jurisdiction of such actions, subject to a five-year statute of limitations beginning when the misappropriation is or should have been discovered.

Authorizes the court, upon ex parte application, to issue an order providing for the seizure of property necessary to preserve evidence in such civil action or to prevent the propagation or dissemination of the trade secret, if it finds that:

- a temporary restraining order would be inadequate because the restrained party would evade or otherwise not comply with it;
- immediate and irreparable injury will occur if such seizure is not ordered;
- the harm to the applicant of denying the application outweighs the harm to the legitimate interests of the person against whom seizure would be ordered and the harm to any third parties who may be harmed by such seizure;
- the applicant is likely to succeed in showing that the person against whom seizure would be ordered misappropriated the trade secret by improper means, or conspired to use improper means to misappropriate it, and is in possession of the trade secret;
- the application reasonably describes the matter to be seized and its location;
- the person against whom seizure would be ordered would destroy or otherwise make such matter inaccessible to the court if the applicant were to proceed on notice to such person; and
- the applicant has not publicized the requested seizure.

Sets forth required elements of such an order, including providing for: (1) seizure in a manner that minimizes any interruption of the business operations of third parties; and (2) protection of the property from disclosure. Directs the court to take seized material into its custody. Grants a person who suffers damage by reason of a wrongful or excessive seizure under this Act a cause of action against the applicant for the order and entitles such person to appropriate relief.

Sets forth remedies that a court may grant for such misappropriation, including granting injunctive relief, awarding damages for losses or unjust enrichment caused, and awarding exemplary damages and attorney fees for willful and malicious misappropriation.

Defines "misappropriation" to mean: (1) acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means (including theft, bribery, misrepresentation, breach of a duty to maintain secrecy, or espionage); or (2) disclosure or use of a trade secret of another without consent.

(Sec. 3) Directs the Attorney General, one year after this Act's enactment and biannually thereafter, to submit to the House and Senate Judiciary Committees and make publicly available on the Department of Justice (DOJ) website a report on:

- the scope of the theft of trade secrets of U.S. companies occurring outside of the United States;
- the extent to which such theft is sponsored by foreign governments, instrumentalities, or agents;
- the threat posed by such theft;
- the ability and limitations of trade secret owners to prevent such theft, to enforce any judgment after foreign entities for such theft, and to prevent imports based on such theft;
- a breakdown of the trade secret protections afforded U.S. companies by each country that is a U.S. trading partner

and enforcement efforts available and undertaken in each such country;

- instances of the federal government working with foreign countries to investigate, arrest, and prosecute entities and individuals involved in such theft;
- specific progress made under trade agreements and treaties to protect against such theft; and
- recommended legislative and executive actions to reduce the threat of and economic impact caused by such theft, to educate U.S. companies regarding the threats to their trade secrets when taken outside of the United States, to provide assistance to U.S. companies to reduce the risk of such theft, and to provide a mechanism for U.S. companies to confidentially or anonymously report such theft.

## **Actions Timeline**

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- **Dec 11, 2014:** Reported (Amended) by the Committee on Judiciary. H. Rept. 113-657.
- **Dec 11, 2014:** Placed on the Union Calendar, Calendar No. 494.
- **Sep 17, 2014:** Committee Consideration and Mark-up Session Held.
- **Sep 17, 2014:** Ordered to be Reported (Amended) by Voice Vote.
- **Sep 9, 2014:** Subcommittee on Courts, Intellectual Property, and the Internet Discharged.
- **Jul 30, 2014:** Referred to the Subcommittee on Courts, Intellectual Property, and the Internet.
- **Jul 29, 2014:** Introduced in House
- **Jul 29, 2014:** Referred to the House Committee on the Judiciary.