

# Top Five Practices for Implementing an Effective Trade Secret Preservation Program

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## 1. CHECK EMPLOYMENT AND/OR CONTRACTOR AGREEMENTS

- Employment Agreements
- Employee Confidentiality & Inventions Assignment Agreement
- Non-disclosure and/or Assignment Agreements (Contractors)

## 2. ENGAGE SECURITY MEASURES

- Badges and locked doors
- Require visitors to check-in
- Secure sensitive information
  - Label sensitive materials as confidential
  - Limit access to need-to-know basis or by division/business unit
  - Secure networks/documents
  - Shred hard copies of sensitive documents; maintain shred bins

## 3. REVIEW SALES/MARKETING MATERIALS

- Sales people are notorious for disclosure to potential customers or vendors
- Appropriate confidentiality designations?
  - Marking sales documents is a good habit
- Require NDAs?

## 4. UPDATE PERSONNEL POLICIES AND PRACTICES

- Implement a computer use policy
  - Emails, blogging, chat rooms, postings . . .
  - Increased risk of intentional and inadvertent disclosure
  - Monitoring and access notice – minimize employee privacy expectation
- Establish procedures for employees departing for competitors
  - Avoid long notice periods – avoids conflicting loyalties
  - Conduct thorough exit interview, including identification of new employer and job description, and employer property and confidential information in employee's possession
  - Remind employee of confidentiality obligations
  - Ensure return of company property
  - Lock employee out of network and freeze documents and email

## 5. CONDUCT AN INTERNAL TRADE SECRET SEMINAR

- Provide employees guidance by reviewing applicable procedures
- Designate contact person to field questions
- Audit trade secrets regularly to ensure employees understand what information needs to be protected

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