## Statement of Senator Patrick Leahy Chairman, Senate Judiciary Committee Hearing on "Economic Espionage and Trade Secret Theft: Are Our Laws Adequate for Today's Threats?" May 13, 2014

Today, the subcommittee on crime and terrorism is examining the adequacy of our trade secret laws. This hearing raises a number of critical economic issues for American companies and consumers.

American businesses often choose to rely on trade secret protection over other forms of intellectual property protection, allowing them to shield commercially valuable information from their competitors. For that choice to remain viable, we must ensure that our laws protect trade secrets from theft and meaningfully deter and punish economic espionage. Today, American businesses face increasing threats both domestically and abroad from competitors that seek an advantage not through hard work, but through theft and deception.

The theft of trade secrets has also been linked to foreign governments in recent years, with countries seeking to undermine our national security and economy through theft of critical commercial information. While on a recent trip to China, I met with government officials to emphasize the need for strong global protection of trade secrets. I also met with Americans doing business in China and they stressed that theft of their trade secrets was a real threat to their livelihoods. As we continue to explore opportunities to work with other nations, we must emphasize this issue as a priority for American businesses and an area of ongoing focus for the United States.

The Administration has continued to apply diplomatic pressure abroad to curb trade secret theft and economic espionage, but there is also room for improvement domestically. We must be vigilant in ensuring that American companies can protect the products they work so hard to develop. Doing so will allow those companies to grow and thrive and protect critical American jobs.

Last Congress, we passed two laws that helped improve our trade secret policy, including the Theft of Trade Secrets Clarification Act that I introduced to close a troubling loophole in the law. I am pleased that this Committee is continuing its bipartisan work in this area. I look forward to working with Senators Whitehouse and Graham, Senators Coons and Hatch, and with all members of this Committee on this issue.

I thank Senator Whitehouse and Senator Graham for holding the hearing today and welcome the testimony of the witnesses.

#####