

**Hearing on “Economic Espionage and Trade Secret Theft:  
Are Our Laws Adequate for Today’s Threats?”**

**Questions for the Record  
from Senator Flake for Pamela Passman**

**Question 1.** Do you agree that both domestic and foreign misappropriation of trade secrets is a growing and persistent problem?

**Answer:** Yes. Companies are increasingly relying on trade secret laws to protect their investment in research and development. Our experience at CREATE has made it apparent that trade secrets are critical to a company’s innovation and competitiveness.

The tremendous value of trade secrets also makes them targets for theft. Trade secret theft occurs through many vectors, including cybercrime, disgruntled employees, malicious insiders, competitors, nation-states, hactivists, and transnational criminal organizations. The growth of global supply chains, through which companies often must share confidential and highly valuable business information with suppliers, increases the risk of both domestic and foreign trade secret theft.

**Question 2.** Do you support legislation that would provide additional tools to protect companies against domestic and foreign trade secret theft?

**Answer:** CREATE does not take formal positions on legislation. We do think it is important, however, for there to be a predictable, harmonized legal system both domestically and abroad to provide effective remedies when a trade secret theft occurs. The Defend Trade Secrets Act is geared toward providing a predictable and harmonized system in the United States, which would benefit companies doing business here; it can also serve as a model for our trading partners, which would benefit companies that rely on a global supply chain and have their trade secrets at risk around the world.