

Questions for the Record
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Senate Judiciary Committee Subcommittee on Crime and Terrorism
“Economic Espionage and Trade Secret Theft:
Are Our Laws Adequate for Today’s Threats?”
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QUESTIONS POSED BY SENATOR FLAKE

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

Answer: Yes, both domestic and foreign misappropriation of trade secrets is a growing and persistent problem. In February of 2013, the White House issued the Administration Strategy on Mitigating the Theft of U.S. Trade Secrets, which concluded that the pace of economic espionage and trade secret theft against U.S. corporations is accelerating and moving to the cyber world. Because online attacks are hard to detect, allow access to more information at once, and are difficult to attribute, in its 2011 report to Congress, the Office of the National Counterintelligence Executive predicts that cyber intrusions will become the preferred method for trade secret theft. We appreciate your bringing attention to the fact that many of these stolen files are destined for competitors located outside of the U.S., and the difficulties U.S. companies face as a result. We are also thankful that the Committee is considering legislation to address trade secret misappropriation on a bipartisan basis, and we look forward to working with you to strengthen our trade secret laws.

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

Answer: Yes, Boeing supports legislation that would provide additional tools to protect companies against domestic and foreign trade secret theft. Trade secret laws are vital to protecting Boeing’s substantial intellectual property. Theft of trade secrets hurts more than just the victim companies. When stolen trade secrets are taken overseas, it hurts the U.S. economy and will likely cost American jobs. U.S. companies need the ability to take immediate action in a United States federal court to quickly contain an escape of our trade secrets here before we are harmed by their disclosure in the U.S. or elsewhere. As to foreign theft, we hope that any new laws enacted would raise awareness of the issue, promote cooperation between U.S. and foreign law enforcement, and empower our trade negotiators to encourage our trading partners to similarly raise the bar. Boeing supports strengthening our trade secret protections, so long as any new law provides an effective and efficient means of securing our valuable trade secrets, while being narrowly tailored to prevent a reasonable likelihood of abuse or overreach in its application.